

# DISTRIBUTION AND WAREHOUSING



The Business Paper of the Warehouse Industry

Volume 27

NEW YORK, JUNE, 1928

No. 6

## Public Relations and Warehousing

### *The "Said to Contain" Clause in the Negotiable Warehouse Receipt*

By A. LANE CRICHER

MANY producers, manufacturers and distributors are taking advantage of the credit possibilities offered by the negotiable warehouse receipt. It has frequently been stated, however, that the use of this type of paper as collateral is perhaps not as wide-spread as the opportunities allow. There is considerable opportunity for large growth in the credit phase of warehouse service generally. It is believed that this development is well under way.

The negotiable warehouse receipt is an important instrument in credit transactions today. For those manufacturers or distributors who may from time to time find it necessary to endeavor to avoid heavy capital investment—frozen assets—the use of the warehouse negotiable receipt which does permit flexibility in capital investment—liquid stock—is a direct means of obtaining necessary

working capital based on actual available output for guarantee of payment.

Frequently the non-negotiable warehouse receipt is made out directly to a bank, but the negotiable receipt, generally used for credit purposes, is a type of credit collateral upon which frequently loans up to 70 or 80 per cent of the value of the commodity stored may be granted. This is not unusual on staple products.

Especially on seasonal products is this type of loan important, for it permits the manufacturer to produce goods, permits the distributor or manufacturer to ship them to a centrally located warehouse at a distributing point, and at the same time allows relief from large capital tie-up, by making use of the credit facilities offered by placing the negotiable receipt as collateral.

#### Three Pertinent Questions

USUALLY the warehouse company lays first claim for all charges for storage and preservation of the goods, and this is stated on the face of the warehouse receipt. These first claims include any monies advanced for transportation, insurance, labor, and such charges and expenses in relation to the goods. The usual warehouse receipt describes the property as "contents, condition and quality unknown," enumerating so many packages or boxes "said to be or contain" so many cans or packages of a certain product.

IN this fourth of a series of articles which Mr. Cricher is writing for *Distribution and Warehousing* the moot question whether the words "said to contain" should be included in the text on the negotiable warehouse receipt is considered by the author, who is Assistant Chief of the Transportation Division of the United States Department of Commerce.

The terms and conditions on the reverse of the warehouse receipt are usually those indorsed by the Department of Commerce in 1926 and any additional terms and conditions are generally noted in full on the receipt. The standard warehouse receipt generally used is the one approved by the American Warehousemen's Association and indorsed by the Department of Commerce in 1924.

Such a uniformity in negotiable paper is quite helpful to the banker. When a warehouse receipt is presented as collateral for a loan, either by the warehouseman or his client, the very fact

that the face of the receipt is the standard form generally used and that the terms and conditions are the standard terms and conditions, approved generally, is immediately noted by the banker, and the only question in his mind is the amount of the loan desired by the owner of the document.

If the warehouse company and the storer of the goods in the warehouse are both reliable concerns undoubtedly there would be available credit up to a certain definite amount of the value of the goods upon presentation of the properly indorsed negotiable instrument in most banks of the country.

Frequently, however, the question has been raised regarding the contents of the packages, as the usual warehouse receipt states that the contents, condition and quality are unknown, and many times the question has come up regarding the elimination of the words: "said to be or contain."

Most warehousemen, however, do not feel that the responsibility for determining whether or not a package said to contain a can of tomatoes actually does contain the goods rightfully belongs to the warehouse industry. If the storer is well known, and is a large concern, generally there is no question in this regard. On the other hand, the banker who loans the money on a warehouse receipt representing so many boxes of a certain type of merchandise is not to be censured when he sometimes might raise the question of why the receipt does not show the actual contents of the packages as 18 cans of tomatoes instead of "said to be 18 cans of tomatoes."

Who should take the responsibility for the contents of packages stored in a warehouse?

Is it right that the warehouseman should accept this additional responsibility?

If so, should there be a definite charge for it?

#### *Banking's Attitude*

**R**ECENTLY certain large warehouses of the country have endeavored to overcome the question of the words "said to contain" on a warehouse receipt. Where there has been any question in the minds of the warehousemen regarding the contents of the packages, this is cleared up by making an examination of sufficient samples of the incoming goods to determine whether or not these goods are as alleged.

This inspection, however, is charged to the account of the storer, and for such sampling undoubtedly the warehouseman should make a charge.

It has been felt among many of the leading warehousemen of the industry that the value of their warehouse receipt has been considerably enhanced by the elimination of the "said to contain" clause.

The attitude of the banker today is more and more becoming one which would stipulate that the place of the merchandise warehouseman in distribution be only that of a "disinterested custodian" of the product in transit or in

commerce finding its way from the producer to the consumer. This disinterested custodian not only provides a safe resting place for products to supply consumer demand, but also affords the national distributor or consumer, as the case may be, many distribution services which frequently include the payment of freight charges and the delivery of the goods by fleet of motor trucks, by lighter or barges.

This disinterested custodian, therefore, should he loan money to a client, might care to discount his loan by presenting the note of his client, indorsed by himself, and accompanied by the indorsed warehouse receipt of the storer.

Then a question arises as to the disinterestedness of the warehousemen's custodianship.

More frequently, however, the shipper or storer takes the negotiable collateral direct to his own banker or credit house for a loan. In the latter instance the warehouseman has not assumed any responsibility for the financial transaction, nor has he, unless inspection of the goods has been made and a receipt stating that so many packages of a certain kind of goods is stored has been issued, assumed responsibility for the unknown contents of the packages itemized in the warehouse receipt.

#### *The Federal Receipt*

**T**HE United States Warehouse Act, enacted by Congress and effective Aug. 11, 1916 (amended July 24, 1919), purposed, in a major way, not only to encourage the storing of farm products in order to stimulate more orderly marketing and eliminate the peaks and valleys, in distribution as related to production, but purposed also to create a uniform system of warehousing for agricultural products—a system wherein the warehouse receipt would possess a substantial, actual loan value.

This last purpose, it was thought, could probably best be accomplished by a licensing system—a supervisory system which would permit that, by inspection, there would be noted on the warehouse receipt whether or not the commodity was insured, the quantity, grade and condition of the commodity stored, and whether or not the weight, grade and condition were determined by weighers, classifiers, and inspectors licensed under the law; and would include also notations regarding the standards according to which the grades were determined, as well as the liens and charges of the warehouseman.

There is no reason, however, why the warehouse receipts of government inspected warehouses of a commercial nature should be considered as having a better status as loan collateral than the valid warehouse paper of our many responsible merchandise warehouses of the country.

In fact, many warehousemen feel that their paper certainly offers equal security for loans.

Inspection by the industry, or at least responsibility by the industry, for the

products stored in the warehouses throughout the country would tend largely to equalize the status of the two types of receipts.

The claim has been made that this service of Government inspection, which may be arranged for by a warehouse storing products of agriculture or canned goods, is not rightfully a Government function but is a function of the industry which should be effected entirely within the industry itself.

As far as commercial products are concerned, there is a great deal of merit to the warehousemen's claim.

#### *Up to Warehousing!*

**B**ILLIONS of dollars of warehousing buildings and equipment have been erected over a period of many years. The industry is undoubtedly one of the most substantial in background that one would expect to find in the entire United States or in the world. A number of prominent warehousemen have voiced an expression of not only regret that the extension of Federal inspection of warehouse products to canned goods is an encroachment on the legitimate merchandise warehouse industry, but also have openly denounced the practice wherein it has, in their opinion, stepped from agricultural products to commercial products.

It is for the industry to endeavor to settle this question, but not for the industry alone. Public opinion has been voiced by Congress in the passage of the law permitting the Federal inspection of certain commodities in warehouses. In the opinion of the writer, the solution of the problem by the industry itself is quite superior and better than the extension of any service of the Government to that industry in regard to the solution of its difficulties. This is another example of a problem before the merchandise warehouse industry of the country wherein it is necessary now that it "set its house in order."

Some gentlemen have expressed doubt regarding the constitutionality of Federal inspection of warehouses. It does not seem to me that this is getting at the meat of the question. If there is a demand for certain type of warehouse paper, paper which has behind it the indorsement of responsibility by the storer of the goods who issues the receipt, it is for the warehouse industry to meet that demand. Once it has met it, and met it in every proper and rightful way, the industry will have undoubtedly earned the position wherein it can say without stint or limit that Federal inspected warehouses along commercial lines are not only unnecessary, but an interference by Government in business.

The banker today seeks every protection for the money he loans on a commercial paper. The name of a responsible warehouseman on a warehouse receipt which states that so many packages of a certain commodity are stored in his warehouse, the receipt being a standard form and the terms and conditions being the ones in standard use, causes the banker to receive such paper without



any doubt as to its value as a substantial loan collateral.

It is true that money follows goods, but it is equally true that goods follow money. The law of supply and demand alone determines the trend.

When there is a large amount of capital available for loans on good commercial paper there will be no question as to the substantial percentage of the loan value of certain commodities being available on the presentation of a warehouse receipt, whether or not the receipt contains "said to contain" or "containing."

But when there is a surplus of commercial paper available for loans, discrimination in favor of that paper which is more substantial, which is for a definite amount of goods, definitely named and described, would be preferable.

Certain individual warehousemen have already determined for themselves that the answer to this problem is the issuance of a warehouse receipt describing the goods thoroughly and accurately and taking the responsibility for the storage of these goods. When any question arises regarding the actual goods being in the packages offered the warehouse, these goods are received only after sufficient sample inspection has been made.

I do not believe that it is the responsibility of the banker to make inspection. On the other hand, the shipper would certainly be willing and desirous of having his goods inspected if he desires to use the warehouse receipt as loan collateral.

### The Answer

WHAT is the answer to this important question regarding warehouse receipts, wherein the responsibility for commodities stored is to be placed upon the warehousemen?

A warehouseman of general merchandise should be ready to issue a warehouse receipt for a definite amount of goods when and as required by his customer eliminating, when it is desired, the "said to contain" clauses. He should call to his customer's attention that, should the customer desire to make a loan on his goods, probably he would desire to have a negotiable receipt which eliminates the words "said to contain" and describes accurately the goods stored; that this would call for the inspection of the goods carrying an inspection charge, at the discretion of the warehouseman.

Such a warehouse receipt would undoubtedly have a status similar to the warehouse receipt of the Federally-inspected warehouse. A disinterested custodian of goods would be willing only to issue such paper, without the words "said to contain," only when he was absolutely sure in his own mind that the goods stipulated were absolutely as represented by the storer.

Even though the amount of money loaned on warehouse receipts is quite large, probably not a very high percentage of the warehouse receipts issued throughout the country are being used as the basis for loans. On the other hand, probably only one out of 100

loans made, backed by such receipts, are further rediscounted by those member banks with the Federal Reserve.

In such a stable and responsible industry as the warehouse industry of the United States it would be regrettable that any problem vital to each of its members could not receive a firm and sound answer.

The extension of the Federal inspection of warehouses to canned goods has brought up the question as to whether or not the warehouse receipt of an inspected warehouse is preferable to the usual receipt of the merchandise warehouseman. The general merchandise warehouse receipt, with the exception of those issued by a few houses, does not accept responsibility for the contents of the packages stored. The warehouse receipt of the Federally-inspected warehouse does.

If it is desirable that this should be done, I believe it is for the industry to do it.

Because of the importance of the question, and especially because of the responsibility involved, however, I question that such a receipt should be issued in the place of the present standard warehouse receipt except when desired by clients for loan purposes. For, otherwise, inspection would be necessary.

The slogan "Choose your warehouse as you would your bank" is being widely used. It is also being shifted to read that the warehouseman should check his goods received as a banker counts his deposits, but only when the depositor requires.

## Fumigation of Entire Warehouse Preferable to That of Special Articles and Rooms

By CLARENCE A. ASPINWALL\*

THE article by S. S. David† in the May issue of *Distribution and Warehousing*—headed "Fumigation and Separate Storage Mean Moth Immunity"—provided the impulse to offer some suggestions for providing immunity from moths through the fumigation of the entire depository.

There are many articles of household use besides overstuffed furniture and rugs that are subject to the ravages of moths. Moreover, there are a number of insects besides clothes moths (the well-known *Tinea pellionella* and *Tineola biselliella*, made famous by your esteemed contemporary, "Two Bits"). The brown beetle and carpet beetle in four to six varieties have been an affliction in some sections, as well as the tobacco beetle. The silver fish is on hand to trouble other sections and other classes of goods. Rarely, but occasionally, the tapestry moth is heard from. While the

IN this article Mr. Aspinwall favors complete fumigation of the warehouse once or twice a year in preference to fumigation of special articles and storage in rooms provided with particular protection against moths.

The author wrote "Household Goods Warehousing in the United States," which was published serially in *Distribution and Warehousing* and which is available in book form (see page 41).

clothes moth is carnivorous, so to speak, and eats only animal matter, the tobacco beetle is a vegetarian, and between the two they could rival the well-known exploits of Jack Spratt and his wife. The silver fish feeds on the paste and sizing used in bookbinding, paper-making, and in certain kinds of cloth, such as muslin. This suggests also that there is the book worm to be considered, which at certain

times and places is extremely destructive.

Consequently the warehouseman (or depositor, as we must call him, if we would be up to date and follow the example of realtors, morticians, and others) who wants to provide the utmost in protection should give heed not only to the clothes moth, but to all these other insect pests and still others that may arise in the future to ravage and deplete the goods and wares which householders place in his charge.

The warehouse of Washington, being progressive conservatives and close to the "Fountain of Wisdom"—the United States Government—have for many years fumigated their depositories. At least, some of them have. The Security Storage Co. has done this for a number of years with marked success; the Fidelity Storage Co. has done it for even a longer period; and the Federal Storage Co. ever since its start.

Where fumigation is thoroughly done  
(Concluded on page 64)

\*President Security Storage Co., Washington, D. C.

†Vice-president and treasurer David Fireproof Storage Warehouses, Chicago.

# Warehouses Were 70.8% Occupied in March, Against 68.7% in February

Department of Commerce Statistics Show Slight Gain for Third Month of the Year—Stocks Increased by 114,783 Tons

By KENT B. STILES

WITH the issuing of the Department of Commerce's third monthly figures—for March—covering space occupancy and tonnage received at and delivered from warehouses, together with revised statistics for January and February, it is possible for the first time in the industry's history to get a definite line on trends.

The figures for the first three months indicate a gradual increase in space occupancy—70.8 per cent in March as compared with 68.7 per cent in February and 67.6 per cent in January. Also may be noted a decided increase in the volume of goods received and delivered on arrival—716,787 tons in March against 602,004 tons in February and 511,863 tons in January.

Thus the value of this Government aid to warehousing becomes evident at the end of the year's first quarter. Month by month during the first three months of 1928 both space occupancy and tonnage have advanced. If April's figures when issued show corresponding increases, will not this indicate to the thinking storage executive that the warehouse business is consistently taking on a healthier tone?

Early next year, when the figures for each month of 1928 have become available, an economic picture of this industry will have been drawn that will be something unprecedented in warehousing—if meanwhile the individual storage executives cooperate with the Government. Mortimer B. Lane, editor of *Survey of Current Business* of the Department of Commerce, and who is compiling the statistics, writes to *Distribution and Warehousing*:

"The importance of sending in each month's report as soon after the close of the month's business as possible cannot be urged too strongly. A great deal of the value of the warehouse figures depends upon the early compilation of the totals. Officials of the Department of Commerce feel that the totals should be based on actual reports and that the summaries should include every warehouse which has agreed to forward its figures. While estimates might occasionally be made in isolated cases, the estimating of the figures for a large num-

ber of warehouses should not be thought of. The value of the warehouse statistics, moreover, depends to a large extent upon their prompt issuance. The greater the delay in making public the totals,

the smaller will be the interest which the public and the industry will have for them.

"The warehouse statistics should be worth a great deal to the industry as

## Public—Merchandise Warehousing February, 1928

Division and State	No. of Whses.	Floor Space (in Thous. Sq. Ft.) End of Month					Tonnage	
		Total	Not Used for Public Warehousing	Used for Public Warehousing		Total	Received During Month	Delivered on Arrival
				Total	Vacant	Occupied		
<b>NEW ENGLAND:</b>								
Me., N. H. & Vt. ....	8	77	18	59	37	22	65	441
Massachusetts .....	32	3,531	638	2,893	1,555	1,338	11,448	1,449
Conn. & R. I. ....	15	1,380	448	932	388	544	4,113	3,192
<b>MIDDLE ATLANTIC:</b>								
New York .....	338	13,696	4,190	9,506	2,925	6,581	83,893	4,666
New Jersey .....	45	4,416	1,496	2,920	709	2,211	40,887	757
Pennsylvania .....	31	1,491	434	1,057	353	704	10,977	2,187
<b>E. NORTH CEN.:</b>								
Ohio .....	44	3,382	878	2,504	590	1,914	31,058	8,028
Indiana .....	32	1,145	351	794	200	594	6,173	1,976
Illinois .....	64	7,945	4,139	3,806	893	2,913	59,513	4,340
Michigan .....	65	3,700	906	2,794	802	1,992	33,475	1,862
Wisconsin .....	39	11,023	250	773	149	624	7,893	3,030
<b>W. NORTH CEN.:</b>								
Minnesota .....	35	3,610	1,777	1,833	491	1,342	17,007	4,758
Iowa .....	21	827	196	631	164	467	4,127	2,697
Missouri .....	18	1,492	289	1,203	262	941	7,162	2,548
N. Dak. & S. Dak. ....	11	277	77	200	42	158	1,224	2,281
Nebraska .....	25	953	282	671	138	533	5,804	1,349
Kansas .....	29	643	271	372	79	293	4,884	3,293
<b>SO. ATLANTIC:</b>								
Del., Md., D. C. ....	43	3,229	489	2,740	1,135	1,605	53,208	9,810
Va. & W. Va. ....	34	1,730	548	1,182	364	818	8,061	1,462
N. Car. & S. Car. ....	14	942	564	378	152	226	2,619	703
Ga. & Florida .....	34	2,314	1,471	843	243	600	7,981	7,765
<b>E. SOUTH CEN.:</b>								
Ky., Tenn. ....	17	811	240	571	123	448	11,328	2,477
Ala. & Miss. ....	13	421	273	148	26	122	1,197	943
<b>W. SOUTH CEN.:</b>								
Ark., La., Okla. ....	27	1,689	291	1,398	584	814	10,631	3,134
Texas .....	74	4,909	1,017	3,892	1,388	2,504	22,101	9,264
<b>MOUNTAIN:</b>								
Idaho, Wyo. Mont. ....	10	148	54	94	43	51	640	684
Utah Nev. ....	10	402	135	267	70	197	3,268	308
Ariz., N. Mex. ....	6	207	78	129	27	102	259	676
Colorado .....	31	808	282	526	114	412	3,549	3,486
<b>PACIFIC:</b>								
Washington .....	31	2,693	1,671	1,022	468	554	5,517	4,094
Oregon .....	14	757	133	624	195	429	12,392	585
California .....	126	6,080	1,329	4,751	1,392	3,359	30,841	4,464
<b>Total for United States.</b>	<b>1,336</b>	<b>76,728</b>	<b>25,215</b>	<b>51,513</b>	<b>16,101</b>	<b>35,412</b>	<b>503,295</b>	<b>98,709</b>
<b>City</b>								
Oakland .....	11	422	122	300	86	214	2,167	1,620
Minneapolis .....	23	2,130	1,060	1,070	266	804	12,886	2,679
St. Paul .....	8	1,159	492	667	189	478	3,398	1,917
Trenton .....	6	175	52	123	50	73	799	323
Albany .....	7	300	1	299	44	255	2,330	135
Norfolk .....	12	851	416	435	248	187	2,258	191

\*Data for cities shown only if all warehouses report.

well as being of general commercial value. In time these reports may be relatively as valuable as the trade indexes gathered by bank clearing reports. Wide newspaper publicity, driving home the popularity of public warehouse service, cannot but help keep the industry constantly before that part of the commercial world which now withholds its patronage in favor of more costly private storage arrangements.

"The interest in the warehouse figures is widespread, and there is little doubt but that the warehousemen will be amply repaid for their cooperation in making the success of this statistical enterprise an assured thing."

Published this month are the March figures and the revised February figures. The Department of Commerce has issued also a new revision of statistics covering reports from 1335 warehouses for January, as compared with only 1085 warehouses, as set down in the January table which appeared in the May issue of *Distribution and Warehousing*. This new January table is not published herewith, but its totals are referred to in

this article for purposes of comparison in analyzing the figures for all three months.

Considering first the three months' space occupancy figures by divisions, the following becomes available:

	Floor Space Used for Public Warehousing		
	Jan. %	Feb. %	March %
New England .....	51.4	49	52.1
Middle Atlantic .....	65.7	70.2	77.1
E. North Central .....	75.4	75.3	76.5
W. North Central .....	74.6	76	77.1
South Atlantic .....	64.7	78.4	64.2
E. South Central .....	74.8	79.3	70.2
W. South Central .....	64.7	64.6	54.9
Mountain .....	73.7	75	54.9
Pacific .....	66.2	67.9	69.6
Entire country .....	67.6	68.7	70.8

These percentages enable the warehousemen operating in any one of the nine divisions to know whether his industry's business in his section is keeping pace with the country as a whole. Just as the space occupancy gradually increased month by month over the entire country, so it advanced correspondingly in the Middle Atlantic, West North Central and Pacific divisions, whereas in the West South Central section there

was a gradual decrease. Two divisions—New England and East North Central—experienced less occupancy in February as compared with January, yet in March more than recovered the losses. On the other hand, the South Atlantic, East South Central and Mountain sections, after making space occupancy gains in February as compared with January, dropped off in March to figures lower than those of January.

Turning now to tonnage, the following becomes available:

	Tonnage Which Went Into Storage of Total Volume Received		
	Jan. %	Feb. %	March %
New England .....	77.6	75.5	72.1
Middle Atlantic .....	90.6	94.3	82.8
E. North Central .....	87.4	87.8	84
W. North Central .....	78.1	70.4	67.7
South Atlantic .....	81	78.5	77.3
E. South Central .....	79.9	78.6	73.6
W. South Central .....	75.4	72.5	71.8
Mountain .....	60.2	60	56.3
Pacific .....	80.6	84.2	67.5
Entire country .....	82.5	83.6	76.7

These figures show that a larger percentage of goods received went into storage in February than in either January or March, and that corresponding changes were experienced in the Middle Atlantic, East North Central and Pacific divisions. The New England, West North Central, South Atlantic, East South Central, West South Central and Mountain sections retained a smaller percentage in storage in March than in February, just as the February figures were smaller than those of January.

It will be noted that deliveries on arrival increased in March in every one of the nine divisions, inasmuch as there were percentage decreases in volume remaining in storage.

Here are some further comparative totals which the warehouseman will find it interesting to study:

	Volume, in Tons, Placed in Storage Plus That Delivered on Arrival		
	Jan.	Feb.	March
New England .....	18,592	20,708	18,653
Middle Atlantic .....	91,586	143,367	228,044
E. No. Central .....	126,873	157,348	151,940
W. No. Central .....	56,092	57,134	65,973
South Atlantic .....	87,946	91,609	84,066
E. So. Central .....	14,953	15,945	11,567
W. So. Central .....	51,711	45,130	51,111
Mountain .....	11,950	12,870	15,086
Pacific .....	52,155	57,893	90,347
Entire country .....	511,863	602,004	716,787

These tonnage figures show that the Middle Atlantic, West North Central and Mountain divisions kept pace with the country as a whole in scoring increases steadily—February over January, and then March over February. March's totals in the South Atlantic, East South Central and West South Central sections were smaller than either February's or January's. New England maintained a relatively even pace. In the Pacific division the tonnage nearly doubled in March as compared with February.

The revised February table and the March table give supplementary data covering six cities where warehouses made 100 per cent returns in response to the Government's questionnaire—Oakland, Minneapolis, St. Paul, Trenton, Albany and Norfolk. The warehousemen in these six cities may well be proud of this record of cooperation!

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				Total	Vacant			Occupied
NEW ENGLAND:								
Me., N. H. & Vt. ....	8	77	18	59	33	26	67	474
Massachusetts .....	30	2,811	621	2,190	1,076	1,114	9,532	1,510
Conn. & R. I. ....	15	1,380	498	882	391	491	3,848	3,222
MIDDLE ATLANTIC:								
New York .....	337	13,679	3,580	10,099	2,407	7,692	124,973	31,573
New Jersey .....	45	4,416	770	3,646	684	2,962	51,107	5,467
Pennsylvania .....	31	1,491	450	1,041	300	741	12,740	2,184
E. NORTH CEN.:								
Ohio .....	44	3,129	867	2,262	492	1,770	27,798	9,234
Indiana .....	32	1,145	381	764	193	571	6,968	2,312
Illinois .....	64	7,845	4,165	3,680	903	2,777	62,579	10,447
Michigan .....	64	3,466	974	2,492	657	1,835	16,092	3,155
Wisconsin .....	39	1,023	216	807	111	696	9,956	3,399
W. NORTH CEN.:								
Minnesota .....	35	3,607	1,786	1,821	449	1,372	19,847	6,489
Iowa .....	21	833	200	633	131	502	6,552	3,540
Missouri .....	18	1,473	288	1,185	220	965	7,750	2,226
N. Dak. & S. Dak. ....	12	284	69	215	54	161	1,286	2,311
Nebraska .....	25	953	282	671	179	492	4,928	4,817
Kansas .....	29	646	253	393	91	302	4,315	1,912
SO. ATLANTIC:								
Del., Md., D. C. ....	43	3,244	488	2,756	1,073	1,683	46,649	12,890
Va. & W. Va. ....	34	1,730	563	1,167	358	809	9,400	2,154
N. Car. & S. Car. ....	14	942	564	378	159	219	2,513	845
Ga. & Florida .....	35	2,320	1,453	867	267	600	6,450	3,165
E. SOUTH CEN.:								
Ky., Tenn. ....	17	804	194	610	203	407	7,219	2,088
Ala. & Miss. ....	13	421	273	148	23	125	1,296	964
W. SOUTH CEN.:								
Ark., La., Okla. ....	27	1,674	245	1,429	602	827	13,349	3,773
Texas .....	73	4,919	1,005	3,914	1,809	2,105	23,356	10,633
MOUNTAIN:								
Idaho, Wyo., Mont. ...	10	136	43	93	26	67	766	676
Utah, Nev. ....	10	402	125	277	70	207	4,091	282
Ariz., N. Mex. ....	6	207	78	129	25	104	569	899
Colorado .....	31	801	283	518	120	398	3,081	4,622
PACIFIC:								
Washington .....	31	2,691	1,664	1,027	459	568	5,621	2,933
Oregon .....	14	757	133	624	193	431	17,365	17,091
California .....	128	6,167	1,401	4,766	1,303	3,463	37,969	9,368
<b>Total for United States.</b>	<b>1,335</b>	<b>75,473</b>	<b>23,930</b>	<b>51,543</b>	<b>15,061</b>	<b>36,482</b>	<b>550,032</b>	<b>166,755</b>
City Supplementary Data for Cities (*)								
Oakland .....	11	422	122	300	82	218	3,425	2,379
Minneapolis .....	23	2,130	1,069	1,061	242	819	14,324	4,389
St. Paul .....	8	1,159	492	667	169	498	4,393	1,941
Trenton .....	6	175	52	123	52	71	850	65
Albany .....	7	300	1	299	45	254	2,430	182
Norfolk .....	12	851	416	435	252	183	2,298	740

\*Data for cities shown only if all warehouses report.



# Public Warehousing and Economic Distribution

## Number 39

### Shipping Via the Panama Canal

*Warehousing at the World's Most Important "Cross-Roads on the Ocean." Routing Merchandise "Canal Zone for Orders"*

By H. A. HARING

SINCE the opening of the Panama Canal the Canal Zone has become the world's most important "cross-roads of the ocean." It was known in advance of course, that the Canal would shorten the water route from coast to coast, and that this has resulted is possibly nowhere better expressed than in the words of Dr. R. S. MacElwee, Charleston's commissioner of port development, who states:

"We find the United States with the Panama Canal much shrunk as to time and cost of transportation, due to the progress in the technique of transportation and communication."

The annual cargoes passing through the Canal are nearly ten times what they were ten years ago, with each year showing increases over its predecessor. The growth in total tonnages, however, does not seem to change the

"unbalanced" traffic; for, year after year, the cargoes from Atlantic to Pacific through the Canal are 30 per cent of the total and those from Pacific ports to Atlantic 70 per cent.

Approximately a third of the tonnages from the Atlantic side to the Pacific and a half of those from the Pacific to the Atlantic, or 40 per cent of the totals through the Canal, are shipments from one United States port to another.

In other words, 40 per cent of the Canal's traffic, on an average, is transcontinental freight movement for domestic merchandise.

Lumber and petroleum constitute the principal items, both of which move from Pacific ports to Atlantic and which, therefore, account for the major part of the "unbalanced" traffic.

#### *What Roosevelt Never Guessed*

THE Canal has brought to this country, however, one immense benefit which neither Congress nor President Roosevelt appears ever to have anticipated. A careful examination of the debates of Congress, over a period of eight years preceding 1904, and of the messages and public utterances of the President, fail to show that anyone of these public men had the remotest guess that the Canal Zone would develop into a transit station for ocean freight.

True it is that an occasional reference may be found to such use of the Canal, but such mention as did occur was always a sort of afterthought when someone was summing up the possible advantages of Panama. Veiled suggestions of this sort, even, are rare. Taking the eight years' debate as a whole it is apparent that no one, at the time, thought of the Canal as anything other than a through route for vessels to pass. They no more thought of storage-in-transit or warehousing-in-transit at Canal Zone ports than they did of building a plat-

form with transit sheds midway from Liverpool to New York in the waters of the Atlantic.

Nevertheless, in the early years of Canal operation, it became apparent that the commercial world expected to route shipments to the Canal Zone "for orders"—making Panama, in this manner, a world's consignment market. "The cornerstone of England's shipping supremacy," declares one authority, "was the London consignment market." And in commerce, especially with raw materials and unmanufactured products, the chance to re consign and divert shipments en route has been the key to profits. Wool and cotton, lumber and petroleum, hides and leather, coffee and tea, hemp and bark, raw silk and coal, meat and citrus fruits—with a hundred others—are moving over the oceans toward Liverpool or New York, precisely as they are moving by rail toward Chicago or Elmira, with no intention by either the owner or the carrier that ultimate destination will be that shown on the bill-of-lading.

The goods are in transit to market, all the while, and are covering the first "leg" of the necessary transportation to ultimate destination, but while they are thus moving the owner retains the right to re consign or divert in such manner as may yield best profits to himself.

Hence it has developed that the Canal Zone, being the great focus of ocean traffic for all the world, has become an important point for re consignment and diversion of cargoes. In ocean shipping (except for such cargoes as petroleum, grain, cotton, lumber, with which a vessel may carry a solid cargo of a single commodity) it does not often happen that a vessel's entire cargo will be diverted or re consigned. This is about as unusual as it would be for a solid train of freight to move from coast to coast without break-up.

For ocean re consignment, unloading is necessary. Inasmuch as vessel schedules do not permit immediate reloading into another "hold," ocean re consignment requires a transit shed and a warehouse.

When, therefore, the Government be-

## Public Warehousing and Economic Distribution

gan operation of the Canal it shortly faced a demand for stoppage-in-transit at the Panama ports; and, coincident with this need, arose the demand for adequate warehousing facilities at those same ports. In due time these warehouses were constructed through the Government's subsidiary, "The Panama Railroad Company," which is a corporation of which the Government owns all the stock.

The warehousing conveniences, together with privileges of stoppage-in-transit and shipping to the Canal Zone "for orders," were put into service about three years ago (March, 1925). The Panama facilities have, in the intervening years, been greatly augmented; rates for handling and storing have been revamped to meet traffic conditions; the Panama Railroad Co. has improved its service and has benefited from the experiences of operation. It is now in position to afford to all shippers the opportunities and the commercial benefits of routing to the Canal Zone "for orders," with full rights to reconsignment either to a point on our coasts or to a foreign port.

Facilities are ample for dry merchandise; they are also available for cold storage products, although capacity is not yet enough for cold storage "to make a blanket offer to handle all cold storage goods which may be offered, but any shipper who may desire to use these facilities is invited to make his wants known and every effort will be made to accommodate him."

A wide variety of goods pass through the warehouses of the Canal Zone. Chief of them have been: tobacco and cigarettes, rice, cotton, automobiles, tires, cement, condensed and evaporated milk, canned salmon and other fish, canned fruit and vegetables, drugs, paint, household furnishings and furniture, machinery, flour, shoes, and drugs.

### Local Distribution

THE Canal Zone has a population of about 25,000, nearly all of whom speak English and are so intimately associated with Americans that their living habits and tastes are closely those of this country. The Republic of Panama, in area considerably smaller than the State of Indiana, has a population of half a million, of which probably not more than 20 per cent is pure white, the remainder being the usual mixture of Latin-America. Yet Panama's cities have few persons engaged in commercial pursuits who do not understand English, and although the country has a coinage and monetary system of its own, the dominance of the United States is so great that our coinage and our currency are commonly in use, even in rural dis-

tricts. In the cities, everything tends to be American.

Colon, close to the Atlantic end of the Canal, and Panama, at the Pacific end, are the principal cities. The former contains about 35,000 population and the latter more than twice that number. These cities are technically "foreign" because they lie within the Republic of Panama, but to all intents and purposes they are American for reasons just outlined. They are the principal trading centers for the republic, and for some adjacent portions of Central America, all the wholesale houses of the Republic of Panama being located in these two centers.

The Canal and the railroad, both owned by the United States Government, disburse generous payrolls. One hundred thousand tourists a year add to the circulation of cash. Such trade as exists, therefore, is on a sound basis, plus the fact that it tends to follow American methods and American commodities.

To cite one illustration, the Canal Zone consumes vast quantities of canned fish. Salmon is most in demand, sardines and shrimp following closely in volume. The United States furnishes 90 per cent of the canned fish at the present time, although before the opening of the Canal Europe enjoyed the market to the extent of 96 per cent of the totals. So, too, with canned fruits (chiefly cherries, pears, plums, prunes); 92 per cent of the consumption now comes from this country and about 5 per cent from Chile (formerly almost the whole came from Great Britain). Chile ships grapes, peaches and plums and is able to undersell California canned fruits by 25-30 per cent. Of canned vegetables, about 75 per cent comes from the United States and 18 per cent from China.

Cotton piece goods and shoes are heavily imported, automobiles and tires mount to imposing totals, soap and lard are important. In dollars the total is about \$40,000,000 a year.

### Warehouse Facilities

At Cristobal (Atlantic end of the Canal) are three warehouses and at Balboa (Pacific terminus) is another modern warehouse, known, however, in the Canal Zone as "pier sheds." Each of these warehouses is 1,000 feet long, 160 wide, constructed of steel and concrete in the American manner. The structures are fireproof. They are as nearly rat-proof as is humanly possible and they are operated with vigilance for cleanliness: their "house-keeping" is commendable.

Cold storages also are available, though to a limited extent for commercial purposes. These facilities have been constructed primarily for the needs of

Canal Zone populations, and they offer, accordingly, rather uncertain capacities for transit shipments. These cold storages stand close to the docks. Delivery between ships and the plants is effected either by motor trucks or railroad cars (standard refrigerator cars), which makes it possible to reduce exposure, in cases where continuous chill is necessary. The cold-storage facilities become particularly valuable when ships carrying cold storage cargo are compelled to stop over for repairs to their refrigerating equipment. The merchandise warehouses have modern equipment, such as endless belt conveyors, electric hoists and tiering equipment, small trucks (electric) and portable truck platforms. The equipment includes facilities for handling the largest crates that any steamship will carry, with ample provision for handling steel of any commercial shape and form.

### Why Warehouse at the Canal?

OCEAN shipments are handled by these Canal Zone warehouses in exactly the manner of rail shipments with a warehouse on dry land. Cargoes are received for local distribution, goods are stored subject to "orders" either for trans-shipment to Asia or South America or for local delivery, and "pooled" cargoes are distributed.

It often happens that a shipment from New York, destined for Peru or California, cannot go forward from New York at the scheduled sailing date because all cargo space on the "direct" steamship has already been engaged. Sailings often are as much as six weeks apart, and, in such a case, delay of nearly two months looks inevitable. The Canal Zone's facilities, however, offer an escape from such a dilemma. The forwarding agent in New York, by using the warehousing facilities of the Canal Zone, reduces this delay to a week; sometimes he obviates the whole of it.

This end is accomplished merely by forwarding the shipment by any available vessel to the Canal Zone; that vessel may be bound to any port in the world provided only its route passes through the world's most important "cross-roads on the ocean." At the Canal Zone the goods are warehoused-in-transit. They are then trans-shipped to their destination by the next available vessel; it may come from Liverpool or Shanghai, either with cargo space available for the whole trip or with space made available by discharge of cargo at the Canal Zone, the latter probability being the more likely.

In this manner a New York forwarding agent will consign to the Canal Zone warehouses a miscellaneous cargo from the United States—after the custom of

# Public Warehousing and Economic Distribution

pool car shipping over the railroads—with portions destined for ports all over the Pacific from Alaska to Australia. At the Canal Zone these lots will be handled by the Zone warehouses "in distribution"; quite in the manner that a Chicago warehouseman handles a pool car that arrives at his loading platform; break up the incoming cargo into outgoing smaller lots.

"Tramp" vessels and "special charter" vessels also enter the picture. One of the automobile makers, for example, chartered a vessel from Baltimore to the Canal Zone. He loaded it full of automobiles. The cargo was discharged at the Canal Zone, and thence was transhipped to a score of ports.

It was not, however, possible to charter the first vessel for a trip beyond the Canal, for the reason that no single destination was customer for a full cargo of automobiles. Yet, in the way shipment was actually made, the ocean freight from Baltimore to the Canal was far less than quoted rates for the same tonnage, divided among all the score of ships that maintain scheduled sailings from any Atlantic port to the score of ports beyond the Canal.

## Through-Rate Protected

OUR Government has perfected arrangements whereby the through-rate is "protected." (This arrangement would not, obviously, apply where a "special charter" or "tramp" is used from initial port to the Canal, but only becomes available when scheduled ocean carriers are used).

The method of protecting the through-rate is similar to the followed when domestic shipments are stopped-in-transit or warehouse-in-transit—for compression, conditioning, grading and inspecting, concentration, milling, fabricating, etc. Shipments of this sort, through the Canal, enjoy the through-rate from origin to final destination.

In case the shipment is billed through, with only a transfer at Panama, the through-rate applies. In case, however, it is billed to the Canal Zone "for orders," or for later reconsignment, each carrier collects its proportion of the through rate from origin to destination instead of assessing a combination of local rates. But, just as with railroad stoppages-in-transit, local rates must be paid from New York to the Canal Zone—but should the owner, at later date, re-forward the goods to a Pacific port, the shipment will be charged from Panama to destination only the on-carrier's proportion of the through-rate. Then, upon presentation of evidence that the shipment (or any part of it) has thus moved beyond the Canal Zone, the initial carrier will refund the difference between the local and the proportional through-rate from New York to Panama.

Shipments to the Canal Zone "for orders" are, relatively, a new thing in ocean carrying. Not all the steamship lines that use the Canal have yet come to agreement thus to "protect" the through-rate, but they are fast falling into line, and it is expected that eventually every vessel handling cargo through Panama will become party to a joint agreement to this effect. At the present time the shipper of any considerable tonnage can readily effect an agreement for his particularly protection, because the steamships are hungry for cargoes, but it is the purpose of the joint agreement to make "protection" automatic for all shipments, small or large.

## Transit Charges

THE Canal Zone warehouses are, as already has been stated, operated by the United States Government through the Panama Railroad Co., whose entire capital is owned by the United States Treasury. These warehouses receive and deliver merchandise in any quantity the owner may wish, "delivery" being either for distribution locally or for re-forwarding by ocean carrier.

Charges are grouped under three distinct heads:

- (1) A receiving charge for handling from shipside to warehouse on general merchandise (rubber is classed as general merchandise), per ton.....\$1.00  
For cotton, wool, kapoc, hemp, bark, leather, hides, hay, straw, and similar commodities, per ton.....1.63  
For mail, baggage, valuable goods, specie, etc., per ton.....1.50  
For explosives, per ton.....2.00  
For horses, mules, donkeys, per head.....1.00  
For cattle, per head......75  
For calves, goats, dogs, hogs, sheep, per head......50  
(For any of these animals, in lots of 25 or more, the charge will be one-half of above rates.)  
Live animals, other than the above, when crated, per ton.....1.00  
Automobiles set up on wheels, unprotected, each.....5.00
- (2) A charge for delivering or re-forwarding the cargo, which will be at the same rate as those for receiving (above quoted).
- (3) A storage charge of 3 cents per ton per day for all time the cargo remains in store, in excess of 35 days, no storage charge being made for the first 35 days.

Special rates are made on special commodities, as well as for large quantities or for regular shipments.

The Canal Zone is within the United States. It is controlled by the Prohibition Amendment and therefore no liquors will be received into storage. The warehouses refuse, also, to receive and hold "for orders" explosives and dangerous commodities.

## The Warehouse Receipt

THE Canal Zone has no uniform warehouse receipts law, nor, for that matter, any law at all to govern warehousing.

The only receipt issued is of the negotiable form. It is in the following wording:

PANAMA RAILROAD COMPANY  
Negotiable Warehouse Receipt No. ....  
This is to certify that this company has received in its Warehouse at { Cristobal }  
Canal Zone..... { Balboa }  
(Date)

for the account of.....  
in apparent good order, except as noted hereon (contents, condition, and quality unknown), the following described property, subject to all the terms and conditions, contained herein and on the reverse hereof, such property to be delivered to.....

Order, upon the payment of all storage, handling, and other charges and the surrender of this Warehouse Receipt properly endorsed.

Marks	Number	Packages	Said to be or contain
NEGOTIABLE			

Special conditions—

Warehouse entries—	(Good only when signed by the Receiving and Forwarding Agent, or an Assistant Receiving and Forwarding Agent.)
Folio No. ....	The Panama Railroad Company, by
Original	Receiving and Forwarding Agent
(REVERSE)	

The goods mentioned below are hereby released from this receipt for delivery from warehouse. Any unreleased balance of the goods is subject to a lien for unpaid charges and advances on the released portion.

Date	Quantity Released	Signature	Quantity Due On Receipt
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On the reverse side of the receipt is, also, the following:

## CONDITIONS

This Warehouse Receipt is given by the Panama Railroad Company, hereinafter called the "warehouseman," and accepted by the depositor under the following conditions, in addition to those named on the face hereof, followed by conditions numbered 1 to 7, inclusive, stated as the numbered conditions in the Circular of March 17, 1925, establishing the system.

At the bottom following the conditions is the following:

"I/we accept the conditions of this receipt including the charges provided for in the warehouseman's tariff in effect this date."

(Signature)

The "conditions numbered 1 to 7" referred to, as being in the circular of March 17, 1925, are as follows:

"The liabilities of the warehouseman are those indicated by the following 'conditions':

"1. The warehouseman is not an insurer of goods in its custody but only a bailee. Insurance against fire or other loss is not carried by the warehouseman on goods in its custody, but if customers especially request him to do so, he will endeavor to arrange for such insurance, making a charge for the services rendered. Depositors will have access to their goods only for purposes of inspection and when accompanied by a representative of the warehouseman. Any work done on, or on behalf of, goods in warehouse, will be done by the warehouseman and charged for extra.

"2. Unless otherwise stated upon this receipt, goods received for deposit will be kept in warehouses built of concrete,



# Public Warehousing and Economic Distribution

steel, and brick, affording protection from rain, sun, and wind, and well ventilated. The warehouseman assumes no responsibility, however, for loss or deterioration of goods due to unforeseen defects in the warehouses, or due to inadequate provision in the warehouses for protection against fire, climatic conditions or changes, or to effects of salt air. Watchmen are employed at all warehouses, but the warehouseman assumes no liability on account of pilferage.

"3. Unless special conditions are agreed upon, goods taken into warehouses will be stored at the discretion of the warehouseman, and will be given ordinary storage and care. The warehouseman is relieved from responsibility for loss or damage because of (a) storage of any class of goods in proximity to other classes; (b) chemical or physical reactions due to storage of various classes of commodities in the same warehouse; (c) deterioration of commodities due to climatic or weather conditions; (d) lack of shifting, changing, or rearranging packages or containers; (e) attacks by or presence of insects, vermin, rodents, flies, beetles, or other animal life; (f) vices inherent in the goods even if these develop in storage whether due or not to the storage conditions; (g) action by the civil or military authorities, insurrection, riots, strikes, labor disputes, acts of God, or fortuitous events.

"4. Charges will be made in accordance with the warehouseman's published tariffs, and on a month to month basis, with due date 30 days after receipt of goods unless that date be a Sunday or holiday, in which event the following day will be due date. An extra charge will be made for any work of any nature done at the instance of the depositor and not provided for in the published tariffs. A lien upon goods deposited is hereby given to cover charges of any nature. In case charges go unpaid for a period of three months, the warehouseman is authorized, without giving notice, to sell enough of the goods to cover accrued charges. Notwithstanding this authority, however, the warehouseman will make reasonable effort to give notice before such sale.

"5. Perishable and hazardous goods are received at the depositor's risk, and may be disposed of by the warehouseman without previous notice to the depositor, whether or not charges are due.

"6. Delivery of goods from warehouse will be made only upon written order from the person signing the warehouse receipt, or his agent; and negotiable receipts must be surrendered properly endorsed. A reasonable time shall be given the warehouseman to effect delivery, and a pro rata charge will be made for goods ordered out before expiration of the due date but which are not delivered until after that date. The warehouseman will use his best efforts, however, to expedite delivery.

"7. The liability of the warehouseman in any event will not exceed \$8 per cubic foot, or \$0.25 per pound, according as space or weight determines the rate, unless excess value is declared by the depositor, in which event the receipt will state the terms of the special

contract as to liability and charges."

The Canal Zone warehouses require no special forms, with one exception. For delivery of stock in store they use a prescribed form that will be interesting to warehousemen. It is an inter-company form, being the authorization to the foreman for delivery. It is:

**PANAMA RAILROAD COMPANY**  
CANAL ZONE FOR ORDERS  
AUTHORITY TO DELIVER CARGO FROM  
STORAGE ON PIERS

Foreman, Warehouse: Cristobal  
Cashier, Local Freight: Balboa

Date: .....  
Please deliver to .....  
the undermentioned shipment (s), consignee  
having complied with the Customs and Warehouse regulations:

Ex Steamer	Date	No.
------------	------	-----

Marks	No. of Packages	Contents
-------	-----------------	----------

Handling Charges	Tons @ \$1 per ton	.....
Storage Charges	Tons @ 3 cents per ton	.....
	per day	.....
	Total \$	.....

.....Receiving and Forwarding  
Per Accountant Agent  
Minimum charge for handling \$1 per ton.

The owner of the goods may use any form he pleases in ordering goods out of store. He must pay the charges (or arrange for them to follow the goods); he must surrender the negotiable warehouse receipt, and he is obliged to sign the "release" on the reverse side of the receipt.

If the goods are withdrawn for local use in the Canal Zone (on American soil) no duty or other customs levy applies. If they are to be sold through dealers, either retail or wholesale, in the cities of Colon or Panama, duty (usually about 15 per cent) must be paid to the Republic of Panama. In either case proper customs house papers and consular invoices must be presented to the warehouseman as a part of the delivery order.

If the goods are to be reforwarded by ocean carriers the owner is obliged to file the customs house papers, consular invoices and bill-of-lading.

None of these procedures, however, is out of the ordinary.

The Panama Railroad Co., which is the corporation operating the warehouses and piers, may be appointed "agent" of the shipper for all these purposes, in a manner similar to the appointment of any warehouseman as agent of the owner. The railroad company, when thus authorized, will make local deliveries, invoice and collect for goods, make advances for freight and charges, handle mail, and prepare consular invoices with necessary bills-of-lading.

## A New York Office

THE principal office of the Panama Railroad Co., both for rail operations and for its warehousing, is, of course in

the Canal Zone (at Balboa Heights). The corporation is organized under the laws of the State of New York and maintains an office in New York City, at 24 State Street.

Any manufacturer who wishes to inquire about warehousing at Panama, or consigning to the Canal Zone "for orders," need not await the long delays of communication with Balboa Heights. For his convenience the New York office is prepared to give information and make contracts. This office, furthermore, is the place where ordinary business transactions are consummated by American and Canadian firms, few of whom, in actual practice, use either the cable or the mails for communication with the Canal Zone. The New York office concludes the requisite commercial arrangements, and then, over its leased cables and in its own code, issues instructions to, and renders reports from, the operating warehousemen at the Canal Zone.

## Ivory Long Distance Job

The John F. Ivory Storage Co., Inc., Detroit, has completed an unusually large moving job. It was engaged by the Yellow Cab Manufacturing Co. to transport the office and factory stock and equipment from the old plant near Chicago to the new factory in Pontiac, Mich. This change was brought about by the General Motors Corp., of which the Yellow Cab is a subsidiary.

From one to two trucks and one trailer were on the road constantly for longer than a month. Sometimes as many as five Ivory vehicles were loading at the Chicago plant simultaneously. The job ran to about \$30,000, according to officers of the Detroit company.

The Ivory firm placed in operation in April a new van having a capacity of 1200 cubic feet—or 1400 cubic feet with tailgate. This brings the Ivory fleet up to fourteen large vans, two trailers and a few stake trucks.

## National of Oakland Quits

The National Van & Storage Co., established in Oakland, Cal., in 1926 to engage in household goods warehousing, has discontinued business. Headed by V. O. Lawrence as president, the firm operated a fireproof three-story concrete warehouse containing 57,000 square feet, with more than half of the space being leased to tenants, at 12th and Oak Streets. It was capitalized for \$500,000.

The company was a member of the National Furniture Warehousemen's Association and the Pacific Coast Furniture Warehousemen's Association.

It is understood that the Oakland house of the Bekins Van & Storage Co. will take over the National's storage on hand.

# "Moving Pictures"

*in Rotogravure Tabloid  
Let Prospects Visualize  
Warehouse Operations and*

## Brought the Business

By K. H. LANSING

"MOVING Pictures!" That's the title—with the emphasis on the word "moving"—that heads a notable sixteen-page rotogravure magazine which, upon its issuance in an edition of 100,000 copies, the latter part of April, graphically told the world about virtually all the moving, packing and storing operations and the special features of the Atlas Storage Warehouse Co., Philadelphia.

It has been pronounced a triumph of the advertising art, by friends and acquaintances, both in and outside the warehousing industry, of Walter E. Sweeting, president of the company, whose desk ever since the magazine's appearance has been deluged with congratulatory letters and whose telephone has not yet ceased ringing for the delivery of complimentary messages relating to this exceptional thrust of publicity. Best of all, substantial satisfactory results have been obtained and are still being felt in the moving, packing and storing divisions, especially in the departments of fur coat, rug and furniture storage.

The page-size, 11 by 16 in.—about that of the standard tabloid newspaper—lent itself well to the clear display of the seventy-odd photographic reproductions and the thirteen lower-marginal sketches illustrating the early modes of transporting household goods in a dozen foreign countries and in the United States—by "covered

wagon"—the layout on each page being artistically linked up. Of the 100,000 copies, 95,000 were printed on regular 45-lb. gravure paper stock and the remaining 5000 on 60-lb. India stock. Of the former, 65,000 were distributed by house-to-house delivery through a concern specializing therein, distribution covering selected sections of residential districts in central and west Philadelphia, and the suburbs, the better class of apartment houses as well as private dwellings being served. Thirty thousand copies were distributed by mail and to a select list of 3800 names a multigraphed letter was sent in advance, announcing the forthcoming "Moving Pictures," as a rotogravure film, leaving its content to the imagination, save that the message was on a letter-head of the Atlas company.

The special run of 5000 copies was devoted to counter distribution, that is, calling customers; to the estimators' use, and to inquiries by mail. The container for the magazine, or tabloid, in each case was a specially printed narrow envelope, 4½ in. wide by 12 in. long, "Moving Pictures for You" appearing in large red letters obliquely across the left-hand end, while below, also in red, leaving ample space for the address of the prospect, was the line "From 4015 Walnut Street, Philadelphia"—nothing more. This insured the opening of the envelope by the recipient.

### *Many Cooperated in the Work*

THE services of several professional concerns were used in the preparations, although suggestions were made by Mr. Sweeting and his executives, and at various times there were as many as thirty persons, including the photographer, half a dozen artists and gravure company officials, engaged in one form of work or another in making ready the issue, not counting the actual printers and engravers. An advertising man wrote the copy for the layout, which was snappy and to the point in each case.

While a large number of the photographs reproduced were especially made for the edition, the fact that a considerable number of the negatives used already were on hand, helped to keep down the expense. About fifty of the pictures used were taken for the occasion and seven more were taken than

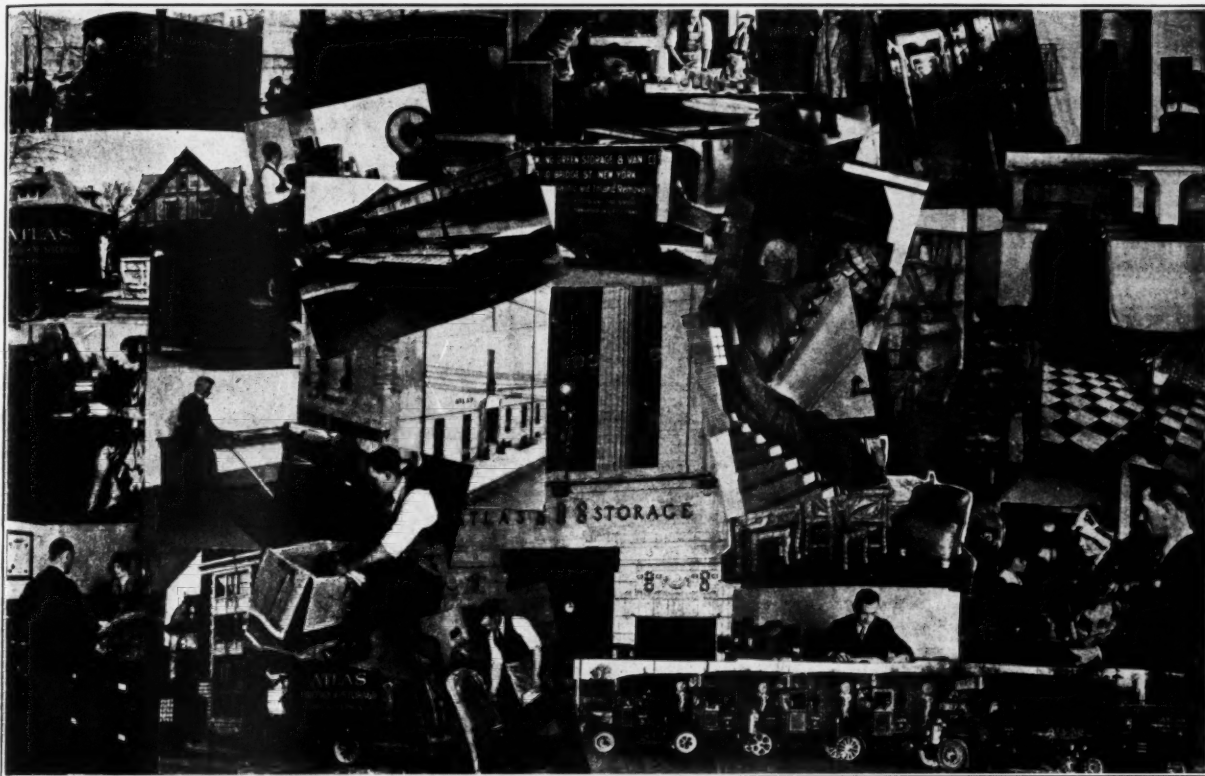
were used. Numerous reprints of pictures were run off and the picture of the front elevation of the warehouse, appearing on the first, or outside, cover page, was reproduced on silk in the same brown tone, for office use. Among the photographs reproduced were a number taken in outside cities and suburban localities; and one picture showed the arrival of vans of the Bowling Green Storage & Van Co., New York, (which the Atlas Co. represents) at a residence in Belgium.

The time consumed in production, after everything for the magazine was in the hands of the printing company, was ten days. While it took about six weeks from the start of preparations to the day of issue, had the Atlas company been in possession of all the photographs to begin with, the other prepara-

tions and the issuance could have been completed in thirty days.

The cost of production was a little under \$4,000, as the expense for each of the 100,000 copies was a trifle under four cents, this including the postage, the total for which was \$900.

The magazine, "Moving Pictures," with its attractive layout, pictures that helped prospects to clearly visualize operations and facilities, and clever descriptive captions covering all photographic reproductions, made such a palpable hit, as evidenced both by direct results and by complimentary letters and telephone messages, that the Atlas company seriously considered producing an extra edition of 20,000; but this idea finally was abandoned. As it is, no doubt the effects of the 100,000 copies will prove cumulative for some time, notwithstanding the quick resultant stimulus of business.



A few of the many views which appear in the Atlas company's rotogravure "Motion Pictures"

#### What Is Portrayed

Details of the portrayal, in "Moving Pictures," of operations and facilities of the Atlas Storage Warehouse Co., may be summed up, if somewhat sketchily, as follows:

THE outside cover picture shows, as mentioned, the towering, classic front of the warehouse at 4015 Walnut Street, a three-story building on the left and a number of automobiles and people in front serving to accentuate the great size of the business structure.

Page 2 presents views of the Penn Colony Trust Co., which occupies quarters in the building. On page 3 are shown the warehouse firm's main office, the lobby and the telephone switchboard. Page 4 shows Mr. Sweeting at his desk in his private office; safe deposit boxes, the operating office and its facilities; the elevator lobby, and a glimpse of the attractive rest room. On page 5 are pictured the receiving and shipping platform; furniture packed for storage; and an Atlas automobile on the driveway of a dwelling, illustrating how the car picks up and returns furs and rugs. Page 6 contains pictures of a group of members of the women's guild of a local church, indicative of the welcome accorded visitors; a section of the piano storage department; art rooms, etc.

So it goes through the ensuing pages, with almost endless scenes illustrating the Atlas company's services, facilities, equipment and notable moving jobs. The accompanying pictorial layout gives the idea.

THIS is the story of what is probably the most ambitious piece of advertising and publicity ever undertaken by a public storage executive.

"Moving Pictures!"—a sixteen-page rotogravure magazine of which 100,000 copies were run off—tells, pictorially and by caption, of the service and facilities of the Atlas Storage Warehouse Co., Philadelphia, and was the idea of the firm's president, Walter E. Sweeting.

That such an advertising "stunt" should be planned and engineered by Mr. Sweeting will not be surprising to those who recall his association activities. Formerly a working newspaperman, Mr. Sweeting was once chairman of the publicity committee of the National Furniture Warehousemen's Association and in that capacity endeavored to "sell" the National's members on the idea of a national advertising campaign on behalf of household goods warehousing. The plan did not "go over"—but it cannot be fairly said that Mr. Sweeting failed, for there are those who believe that some day the N. F. W. A. will engage in just such a campaign as the one for which he prepared the groundwork.

Meanwhile "Moving Pictures!" illustrates what an individual company can do for itself.

Page 16, constituting the back cover, is devoted to a "close-up" of the rear of one of the company's vans, not only affording a good idea of width and general capacity, but lent a combined business and sentimental interest by the clever caption: "Farewell to the Old Home—Hail to the New!" The truck, showing its "heels" as it apparently rolls smoothly along the roadway, conveys aptly the thought of "farewell" contained in that line.

#### Letters of Congratulation

It is interesting to reproduce, through one letter and several excerpts from others, the reactions of persons within and without the trade, to this Atlas advertisement, "Moving Pictures," and the following selections from many should convey their attitude quite clearly. For obvious reasons, the signatures are not here appended. Here is the letter in full, from one enthusiastic member of the industry, addressed to Mr. Sweeting:

"Have just returned from a week-end trip and find on my desk a most wonderful rotogravure advertising production from the Atlas Storage Warehouse Co. of Philadelphia, Pa.

"This is by far the best thing of its kind that I have ever seen and you are to be highly complimented on same.

"When you suggested the production to me some weeks ago, I had some thought of what you had to offer, but certainly did not foresee the wealth of matter you would be able to put into print.

"You deserve great credit on the



initiative and enterprise displayed in the wide range of photographs. Your aeroplane landing, coupled with Colonel Lindbergh and his mother, was surely a very happy inspiration and lends a fine touch of human interest, also your photograph of Dr. Bach at your fumigation vault, which certainly lends authority to what you are offering.

"All of us were particularly struck by your use of the rear end of your motor van on the last page, which is indeed a masterly stroke of genius. It gives real life to the thought of moving and serves to 'leaven the whole loaf.'

"I will be interested in learning of the reception accorded this production and the comments you receive on same. It is so different from anything ever gotten out in our industry, that you are certain to get many expressions in proof of its value."

Letters were, in fact, received by the company from all over the country. Here are a few excerpts:

"We are in receipt of your wonderful 'ad,' entitled 'Moving Pictures,' depicting what you do for a living. Let us con-

gratulate you. This is the greatest piece of publicity of its kind we have seen."

"Finest piece of advertising I have ever seen. It is not only a wonderfully gotten-up piece of advertising, but a wonderful bit of educational matter for the public."

"Splendid advertising matter the Atlas sends out and I want to congratulate you personally."

"You certainly accomplished a marvelous bit of work and the entire make-up is excellent."

"I believe the Atlas has the world beaten for advertising. . . . You give a very good idea to the prospective mover, or storer, of the facilities of your modern fireproof warehouse. Compliment you on the excellent preparations."

And here is a copy of the advance letter sent out by the company and signed by Mr. Sweeting, to let the selected list know something good was coming to them:

"Though this is a mechanically prepared letter, palpably written to carry its message to a group of people, it is

none the less a personal message for you.

"The postman is bringing you something he never brought you before, and in a mail or two he will hand you—MOVING PICTURES!

"But these MOVING PICTURES will be as different from your conception of moving pictures as 'Sunrise' was from 'The Perils of Pauline.' You need not worry—if you haven't one—about the lack of a projector. You will need no silver screen, no darkened room. On the contrary, the only projector you'll require will be your eyes—and these MOVING PICTURES can be better appreciated where the light is good.

"You'll like the plot, too. There's no silly sentimentality about it, no bloodshed, no last-minute-saving-from-the-gallows, no sob-sister captions. The whole 'reel' is news for you—the kind of news that you will remember for future reference, that you will recognize as being a money, time, labor and worry saver of the most entertaining sort.

"Watch for your rotogravure 'film.' Truly, it's an Atlas picture!"

## Here's a Warehouse Company Which Operates Its Own Printing Establishment

**WAREHOUSEMEN**, manufacturers, wholesalers and others, in all parts of the United States, have in the past two years received booklets and advertising literature concerning the facilities of the Burch Warehouse & Transfer Co., Pueblo, Colo. Practically none of the recipients knows that the printing was done in the Burch company's own printing plant.

This is not a story supporting the idea that every warehouse and transfer company should have its own printing shop, for there are few private print shops which save their owners money, but it is to show how a warehouseman has turned a hobby to practical uses and adapted his hobby to the needs of his business.

Printing is a hobby with Frank J. Burch, one of the three Burches who own and operate the company. In his previous business activity—that of manufacturing—he had a fully equipped print shop, with an expert printer in charge to turn out the catalogs, letter-heads and advertising material to promote his business. But Mr. Burch was in the print shop himself many hours each week, for he loved the smell of printer's ink.

There wasn't any fun in conducting a business without a print shop, so, when the storage firm was organized and started, one little hole in the warehouse building was set aside for a miniature print shop, as it were, and it later was equipped with a press, cases of type, borders, cuts, etc.—sufficient equipment to run off small pamphlets and even small booklets whose pages were more than 6 by 9 inches in size and which contained dozens of pages at that.

Linotype composition was hired, and

half-tones and cuts were made outside of the plant, but when it came to the actual laying out of the forms and printing them, Mr. Burch did the work—sometimes alone and at other times with the assistance of employees or members of the firm, for Fred and Harold Burch like the smell of printer's ink, too. All three had had enough previous experience to know how to lay out forms with type matter, justify them and make-ready.

In spare moments it is recreation to spend the time in the print shop.

One of the most interesting uses of the printing equipment is that of preparing special letter-heads to be used in correspondence with individual clients of the merchandise storage section of the business.

We must remember that the Burch company has not been in existence many years and that the boys had to go after business by convincing prospective customers that their warehouse was the proper place from which to distribute merchandise to various sections of Colorado and the Rocky Mountain region. This required accumulating special data and much correspondence.

To give an individual tone to such correspondence, Mr. Burch has a few linotype slugs run off carrying the name of the firm with whom correspondence is to take place, and the name of the Burch company. Second pages bear this fact—that is, in the upper left-hand corner of the sheets is the information that it is Page — (2, 3, 4, etc.) of a letter written by the Burch company to The Such and Such Co.

Where it is a new account being sought, and there is likely to be much

correspondence, a folder is prepared with the name of the company on the front and the name of the firm with whom the correspondence is taking place. All of this is printed—not typed—and gives the correspondence and the folder a dignified appearance.

The folder is the size used in vertical letter files, and the first correspondence is sent to the prospect in a large envelope so that the letter arrives flat. The prospect reads his letter by merely opening the folder. As it is apt to contain valuable statistical matter concerning freight rates out of Pueblo, the reader is more than likely to save it, and places it directly into the vertical file without the necessity of preparing a folder for it. Hence it is always available, in case he desires to refer to the statistical matter or anything else contained in the letter, and additional correspondence received from the Burch company is filed in the same folder.

The Burch company keeps a duplicate folder in its own files, and the carbons of the correspondence are placed in it—likewise letters received from the prospect. Enough of these second-page sheets are run off at first to be available for future correspondence with the same prospect, who may later become a customer.

This system is a little bit costly, no doubt, but it is worth the expense when one considers it is an effort to obtain business. While it may cost several dollars to prepare the folder and letter-head for correspondence with one prospective customer, it is nothing compared to the business the company will get in subsequent years if the customer is "landed."

# When Is a Warehouseman Liable for Signatures of Employees?

## Fifth of a Series of Legal Articles

By LEO T. PARKER,  
Attorney-at-Law

**T**HE fundamental principle of the well established law is that an employer is liable for all contracts made by employees who act within the scope of the employment.

Of course there are instances when a warehouseman is liable for signatures affixed by employees outside the scope of the employment, but generally this legal condition exists only when the warehouseman has performed certain acts which lead the litigant to believe that the employee is authorized to enter into binding contracts of the kind involved in the litigation. And in order clearly to mark the distinction between signatures for which a warehouseman is and is not liable, we shall review various important higher court decisions on this and analogous subjects.

### Forms of Signatures

**F**IRST, it is important to know that a warehouseman is liable for any form of an authorized employee's signature such as that made with a rubber-stamp, typewriter, symbols, initials and the like.

For example, in the case of *Mayers v. McRimmon*, 53 S. E. 447, the law was considered relative to the rights of an employee to bind his employer by imprinting the latter's name with a rubber stamp. This Court explained the generally established law on the subject, as follows:

"Where the name required has been so placed by one having authority to do it and *with intent* to indorse the instrument, the authorities hold that this is a valid indorsement."

In still another case, *Carroll v. Mitchell Manufacturing Co.*, 128 S. W. 446, an authorized employee affixed his employer's signature, with a rubber stamp, to a note for \$112.50. Later the employer attempted to avoid payment of the note on the ground that he was not legally bound by a rubber stamp signature. However the Court held the employer liable and explained that, as it was proved that when the signature was affixed he intended to be bound, the rubber stamp signature was equally as effective as one pen written.

Also, the same law is effective where a person or an authorized employee affixes a signature with a typewriter intending to make a valid contract. (195 Pac. 316).

### Signatures Made With Initial

**M**OREOVER, it is immaterial whether a warehouseman or his authorized employee signs a contract by full

### Next Month:

**T**HE title of the sixth of Mr. Parker's legal articles is "The Liability of Warehousemen for Damages for Injuries to Employees." Court decisions are quoted which establish the fundamental principles of the law relating to the storage executive's duties toward his employees.

The article will appear in the July issue.

name or initials, providing the warehouseman intended to be bound when the signature was affixed. For instance, in the case of *Meaton v. Meyers*, 33 Ill. 424, it was disclosed that a principal signed a contract "H. C. M." Later, litigation developed and the higher Court was presented the question whether or not the contract was valid.

After carefully considering all details of the controversy the Court held the signer liable and explained that any person may bind himself to a legal obligation affixing any form of signature or mark if the signature is substituted for the signer's name *with intentions to bind himself*.

On the other hand, it is important to know that the holder of a contract signed with a rubber stamp, typewriter, or initials is bound to prove to the satisfaction of the Court that the signature was affixed by the warehouseman or his agent with intentions of completing the obligation.

Furthermore, a warehouseman who

authorizes an employee to use a mechanical signing device, or authorizes his employee to affix the former's written signature, is liable where the employee exceeds his authority and signs a contract with a firm or person who has made previous contracts in the same manner. This is true also where all parties to the contract know that the employee has general authority to sign contracts for his employer or principal.

For instance, in the very recent case of *Rivers v. National Bank of Columbia*, 133 S. E. 210, it was disclosed that a bank furnished a warehouseman with a rubber stamp for use by the latter's bookkeeper to indorse checks for deposit. Without authority of the warehouseman the bookkeeper used the stamp to indorse checks on which he fraudulently obtained money. This Court held the bank liable for the heavy financial loss and explained that the warehouseman was not negligent where under these circumstances his bookkeeper used the rubber stamp, supplied by the bank, to indorse checks illegally and fraudulently.

In another case, *Standard Co. v. Corn Exchange Bank*, 116 N. E. 368, a stenographer was authorized by a bank to use a rubber stamp to indorse checks for deposit, for her employer, as follows: "Pay to the order of the Greenwich Bank, the Standard Co." She was authorized also to write after these words her employer's name, as follows: "Percy H. Pinder, Treasurer."

Without authority, she indorsed several of her employer's checks in her own handwriting. The checks were cashed for her by two business men who later deposited them in the bank. The bank collected the money and paid out the proceeds in the regular course of busi-

ness. This Court held the bank, and not the stenographer's employer, liable saying:

"The business man who authorizes his clerk to take his checks to his bank for deposit does not vest in her so dangerous a power as to preclude him from setting up her lack of authority if she indorses his name thereon in blank and innocent persons onto the check for her. If greater authority has been conferred, expressly or by implication, or if the principal has been negligent, or has ratified the conduct of his agent, the law will not shield him."

In the latter illustrations the banks were held liable primarily because they supplied the rubber stamps by which the indorsements were fraudulently made.

If, however, a warehouseman generally permits his name to be signed by an employee by pen written or rubber stamp signature, he is liable for unauthorized contracts signed by the employee in this manner.

#### General and Special Agents

IT is important to know that a warehouseman may be liable for the acts of a general agent, while under the same circumstance he is not responsible for the acts of a special agent.

Legally, a general agent is an employee who has general authority to act for his employer in conducting a business or department of the business. A special agent is one who is authorized to act for his employer in a limited capacity, as doing only a single act.

In the recent case of *Brager v. Levy*, 90 Atl. 102, the Court, in explaining the extent of an employer's liability of the acts of a general agent, said:

"A general authority empowers the agent to bind the employer by all the acts within the scope of his employment, and that power cannot be limited by any private order or direction not known to the party dealing with the agent. But the responsibility of the principal about third persons is not confined to cases where the contract has been actually made upon an express or implied authority. It extends further, and binds the principal in all cases where the agent is acting within the scope of his usual employment, or is held out to the public, or to the other party, as having competent authority, although in fact he has in the particular instance exceeded or violated his instructions and acted without authority."

On the other hand, in the recent case of *Fargason Co. v. Dudley*, 294 S. W. 86, in explaining the duty of a person who deals with a special agent, the Court said:

"A person dealing with an agent is at once put upon notice of the limitations of his authority, and must ascertain what that authority is. . . . Such person cannot presume that such authority exists; he cannot rely upon the representation of the agent as to what his authority is; he must make inquiry and use due diligence to learn the nature and extent of such authority. If he does not, he deals with the agent at his own

risk, and if the authority of such agent is disputed, it devolves upon him to prove it."

An example of a warehouseman's liability for the acts of a general agent is given in the recent case of *Lacy v. Globe Indemnity Co.*, 126 S. E. 316. In this case a person stored cotton in a warehouse and was given negotiable receipts therefor. Later the holder of the receipts surrendered the same to the general manager of the warehouse and received his merchandise. Instead of cancelling the receipts the manager used them as collateral to secure his individual note for \$6,500, and indorsed the receipts "La Grange Storage Warehouse by M. L. Walters, manager."

On the maturity of the note it was ascertained that the goods had been delivered to the owners, and that Walters had fraudulently used the receipts as collateral on his own note.

Suit was instituted by the bank against the manager's bonding company to recover the value of the merchandise represented by the receipts.

It is interesting to observe that the Court held the bonding company liable, saying:

"It is further stated in the case agreed that the bank loaned the money to M. L. Walters in the due course of business and accepted said receipts as collateral without actual knowledge that the cotton represented by same had been delivered to the parties depositing the same for storage. This, to our minds, represents a clear breach of a specified duty on the part of the local manager coming directly within the provisions of the bond given by defendant company as his surety, and bringing about the very results that the requirement is intended to guard against."

In cases of this nature the damaged party may hold either the warehouseman, the bonding company or the employee liable.

For example, in *Trippe v. Bell & Co.*, 78 S. E. 126, it was disclosed that the owner delivered goods to the employee of a warehouse and received a warehouse receipt for the same. Later the employee wrongfully delivered the property to another. The holder of the receipt elected to sue the warehouseman's employee. The Court held the employee personally liable and explained that an employee always is liable for his wrongful and injurious acts.

#### Fraudulently Issued Receipt

ON the other hand, a warehouseman is not liable where an employee fraudulently issues a warehouse receipt. For example, in *Rosenberg v. National Dock & Storage Warehouse Co.*, 106 N. E. 171, a firm named Rosenberg Brothers purchased 70 bales of rags from the manager of a warehouse. The latter made out and delivered to Rosenberg Brothers what purported to be a non-negotiable warehouse receipt of the warehouse company for seventy bales of rags. This receipt was in the usual form, signed by him as general manager, but no marks were given on it for the bales. This was on Jan. 28, 1913.

The testimony showed that at the time these receipts were issued there were no rags in the warehouse. Later the manager of the warehouse changed the marks on seventy bales of rags, stored by another customer, to the mark of Rosenberg Brothers.

In holding the warehouseman not liable for acts of the manager in issuing receipts for goods not received by the warehouse, the Court explained the law in the following language:

"Before the warehouse receipts Act it was the settled law of this Commonwealth that a principal is not liable where his agent (with authority to issue receipts on the delivery of goods) issues a receipt for goods which had not been delivered. . . . The general principles of the law of agency could not with propriety be dealt with and made uniform in a warehouse receipts Act. Nor could an exception to the general law of agency be made, so far as warehouse receipts are concerned, where the former law of agency kept unchanged in case of receipts issued by other agents under what from a legal point of view were the same conditions. It was therefore inevitable that this conflict which existed at common law should continue under the uniform warehouse receipts act. . . . The warehouse company was not negligent in failing to watch Ripley more sharply or to catch him more quickly."

#### Forgery Defined

IT is well established that an employer may ratify a contract and make himself bound thereby, although the same was signed by an unauthorized person with a rubber stamp or other means. And, of course, an employer may ratify even a forged agreement, provided the terms of the contract are agreeable to all parties involved.

For example, in the very recent case of *Mondragon v. Mondragon*, 257 S. W. 215, the Court said:

"A signature made by a rubber stamp, typewriter or printing, or by another without authority and in the absence of the grantor, or even, when forged, may be adopted and the instrument to which it is signed become binding."

Moreover, it is important to know that forgery need not relate to a complete instrument. To constitute the crime of forgery, it is essential only that three things should exist: first, false making or alteration of a written instrument; second, for the purpose of fraud; third, and the instrument is capable of effecting fraud.

Where an employee obtained possession of a blank paper having his employer's name signed at the bottom and without authority filled written matter above the signature, the employee was held guilty of forgery, as it was proved to the satisfaction of the Court that the act was done with the intent to defraud. (70 Ill. 46; 26 F. R. 421).

Moreover, although an employee is authorized to sign his employer's name, he is guilty of forgery if he signs the name to a document or other contract intended to defraud the employer (18 S. W. 833).



In various cases persons have been held guilty of forgery although the contract was not dated (26 S. W. 500); where the signature was placed at the extreme left side of the instrument (32 S. W. 1047); where the document constituted a fraudulent unsigned order; and where the amount of merchandise was not specified (79 Ala. 262).

Also it has been held that merely rearranging figures with intent to defraud constituted forgery. In *Dell'Aira v. United States*, 10 F. (2d) 102, it was shown that a person changed the figures 27,466, inserted originally in a bill of lading to represent the weight in pounds of a quantity of merchandise, by crossing out the figure 2 and writing instead the figure 4, thus making the bill of lading read 47,466 instead of 27,466 pounds.

In holding that this change constituted forgery, for which the forger was liable, the Court said:

"One may pass a forged instrument innocently, because he does not know it to be forged, and believes it to be genuine; but one cannot innocently make . . . himself . . . the instrument without guilty knowledge of the fact of the want of genuineness, if his intention be to defraud."

#### Forged Receipts

HOWEVER, a warehouseman is not liable for damages resulting from an employee forging warehouse receipts, particularly where such employee is not generally intrusted with the making of receipts.

Moreover, a warehouseman never is responsible for the acts of third persons, as customers, who forge or alter issued warehouse receipts.

For illustration, in *Weaver v. Batesville Compress Co.*, 270 S. W. 509, it was disclosed that a warehouseman received merchandise for storage and issued therefor two negotiable receipts to a J. W. Blair. Later Blair called and demanded his goods, saying he had lost the receipts. Upon presentation of these facts the warehouseman delivered the goods to Blair.

Sometime later another person, who had purchased the receipts from Blair, presented the same and demanded delivery of the merchandise. Investigation disclosed that the two last letters, "ir," in Blair had been erased from the receipts and the letters "ck" substituted therefor, resulting in the name J. W. Blair being changed to J. W. Black.

The holder of the receipts sued the warehouseman for the value of the goods on the ground that he had negligently delivered the merchandise to Blair without presentation of the receipts. However the Court held that the alteration of the receipts constituted forgery for which the warehouseman was not liable. This Court explained the law as follows:

"True, the receipts under consideration were indorsed 'J. W. Black,' the name of the person designated in the receipts, but the undisputed testimony shows that the receipts were issued to J. W. Blair, and that the name of 'Black' had been substituted in the body of the

receipts for 'Blair,' and also that the name of 'J. W. Black' indorsed on the receipts, were forgeries. . . . Where a negotiable warehouse receipt has been issued and properly indorsed and negotiated—that is, transferred to one who has in good faith paid value therefor without notice—then the warehouseman is liable to the one who holds such receipts if such owner offers to surrender the receipt with such indorsement as would be necessary for the negotiation of the receipt, and, if the holder of the receipt is ready and willing to sign an acknowledgement when the goods have been delivered, showing such delivery, if such signature is requested by the warehouseman. . . . Here the undisputed testimony shows that, according to the terms of the receipts as originally issued, the warehouseman was not to deliver the goods except upon the surrender of the receipts properly indorsed. The undisputed facts are that there was no proper indorsement, and therefore no negotiation of the receipts which would transfer the title to the receipts and the right to the possession of the cotton to the appellant."

#### Personal Liability of Employee

GENERALLY speaking, an employee is personally liable, when engaged in the performance of a warehouseman's duties, (1) where he makes a false statement or representation of his authority, with intent to deceive; (2) where he knowingly makes a false statement or representation, without intent to deceive; (3) where he does a damaging act believing he has authority, but actually has none; (4) or where he acts on authority from his employer and does an unlawful act.

Moreover, an employee is personally liable on contracts which he signs, with proper authority, where his affixed signature does not clearly bind the warehouseman.

For instance, in *Thompson v. Blackwell*, 56 Ky. 490, an employee was held not personally liable where he signed a contract, "George W. Williams, G. W. P." In this case, the letters "G. W. P." were the initials of the firm which Williams represented. At the time the contract was signed all the parties thereto knew that Williams represented his employer. Furthermore, the name of the latter appeared in the body of the contract.

"However, in view of the numerous previously decided cases, the law is well established that an employee is relieved of all risk of personal liability on contracts, or other papers, which he signs with proper authority provided: (1) the name of the warehouseman appears in the body of the contract, or on the letterhead; (2) the word "By" or "Per" precedes his signature; (3) the word "Agent" follows his signature; (4) and the employer's name precedes the agent's signature, as follows:

"The John Smith Storage Company,  
"By John Doe, Agent."

Sometimes the mere difference between the words "By," "For" and "Of" is sufficiently important to have consid-

erable bearing on the outcome of the liability of an agent who signs contracts.

This point is thoroughly considered by the Court in the case of *Tucker Mfg. Co. v. Fairbanks*, 98 Mass. 101. Here the contract was signed as follows: "David Fairbanks & Co., Agts. Piscataqua F. & M. Ins. Co."

The name of the principal did not appear in the body of the contract. This Court held the agents personally liable on the contract and said:

"The variation between the words 'for' and 'of' seems at first view slight; but in connection in which they are used in signatures of this kind the difference is substantial. 'Agent of' a corporation named simply designates a personal relation of the individual to the corporation. 'Agent for' a particular person or corporation may designate either the general relation which the person signing had to another party, or that the particular act in question is done in behalf of and as the very contract of that other; and the Court may construe the words in the latter sense."

#### Bekins-Hall Arrangement Terminated May 15

The exclusive representation arrangement between the Bekins Van & Storage Co., operating household goods depositories in California cities, and the Charles A. Hall Co., Inc., New York shippers and distributors of pool cars of household goods and automobiles, was terminated by mutual consent on May 15, it was announced by Charles A. Hall, president of the New York firm.

The Hall company's pool cars are now being consigned "to various warehouses in California and other States for distribution," with customers permitted to make their own warehouse selections.

Returning from California, Mr. Hall stated he had concluded arrangements "with a number of Pacific Coast warehouses to cooperate with us by sending us routing orders for shipments originating in eastern cities and instructions to warehouses to ship through our medium, in exchange for which we will consign to them our pool cars for distribution," this arrangement being open to all Pacific Coast household goods companies.

Mr. Hall added that he would establish offices in other cities in due course.

#### Ford Firm Adopts New Name

Ford Bros. Van & Storage Co. is the new name of the firm hitherto known as the Ford Transfer & Storage Co., operating merchandise and household goods warehouses in Omaha, Neb., and Council Bluffs, Iowa.

R. A. Ford continues as president, manager and operating executive and R. V. Ford as treasurer. A. E. Ford, who was secretary, has been made vice-president. Leslie E. Noel, who joined the firm about eight months ago after twelve years of experience in the industry, including association with the Gordon Fireproof Warehouse & Van Co., Omaha, succeed A. E. Ford as secretary.

# THE BUSINESS MAN'S BOOK SHELF

## "Motor Traffic Management"

"Motor Traffic Management." By G. Lloyd Wilson. 251 pp. \$3. D. Appleton & Co., New York.

THE author not only has had traffic experience (with two prominent concerns) but has for some years been a teacher of transportation. He is the author of many articles and of another book in this field.

This new volume is of practical value to those engaged in motor transport, either of freight or of passenger, representing as it does probably the first effort to publish the problems of this new form of transportation. Throughout the writing the author never forgets the need to "merchandise" motor transport. He is of the opinion that "transportation services, like goods, must be sold to the buyers through active, intelligent and aggressive salesmanship and discriminating advertising and publicity."

He reminds readers that freight and passengers do not come of their own accord, because they do not instinctively discover the lowest prices and the best services that can be obtained. Therefore transportation lines "having adequate service to offer, like merchants merchandising good wares at low prices, must attract the attention of their prospective customers to the things they have to sell." This very practical viewpoint indicates that the author has had intimate contacts with motor transport, for his statements tally most exactly with the experiences of those who have established motor routes.

Attention of the public has been too much focused on the problems of operating the trucks and of maintaining the highways. Little thought has been given to the problems of traffic management of this, our newest, utility, and management have therefore neglected the pressing matters of developing and retaining volume of business for their trucks and coaches.

Much space in this volume is, accordingly, devoted to methods of advertising motor transportation, soliciting traffic through salesmen, and, particularly, retaining and satisfying customers. Illustrations of "copy" used for advertising are given, as well as sample rate sheets and classifications and bills-of-lading (or tickets for passengers) which meet the requirements of the law and at the same time give reasonable protection to the management.

"The officers in charge of traffic development," he believes, "must seek not only to wrest traffic away from their competitors but really to assist in the development of new tonnage. The shippers and consignees whose markets and sources of supply are broadened through helpful transportation services and advice are apt to reward the line that interested itself in their problems and broadened their market horizons."

He views modern motor transport as having far outgrown the "one-man one-truck" enterprises without terminal facilities and without agencies to solicit business at the end of the route. In discussing freight rates to be charged, the author deals most helpfully with the impossibility of quoting flat rates, uniform to all shippers, such a course being "impracticable because of the differences in the services that must be rendered certain shippers and consignees. Certain shippers may have excellent loading facilities; other shippers have inadequate facilities so that freight is loaded with great difficulty and much time is lost."

To scan the pages devoted to this subject makes the reader appreciate that the author understands the practical difficulties of truck operation—and, indeed, the whole book runs over with just such helpful discussions.

The volume is a compilation of the various systems of classification of freight and passengers, rates and fares, sample tariffs and conditions of shipment. It deals exhaustively with highway regulation and commission control of motor trans-

port. To any one who is responsible for motor transport the book is well worth its cost just for the many concise lists it contains of items for which a traffic manager must be on the lookout, such, for example, as the following:

"The carriers are not liable for loss, damage or delay arising out of the following causes"—20 listed in detail.

"It is desirable that a motor freight tariff contain a list of the rules and regulations that govern its application"—18 listed.

"A typical set of rules and regulations"—13 wordings of rules listed.

"Standards of packing, the definite factors that must be borne in mind"—9 listed, with explanations.

"Factors affecting motor freight insurance rates"—10 given in detail.

"Insurance of cargo on the truck"—with a list of 7 types of loss which are covered and 7 others which are not insurable.

"Municipal regulations include ordinances governing"—18 subjects listed.

These captions are, we hope, a suggestion of the helpful material in this volume. Within its pages has been gathered together well-known information of value for motor transport in a manner that makes the experience of the entire industry available to each manager.

## Bills of Lading and Contracts of Shipments

"The Law of Bills of Lading and Contracts of Shipments." By Ernest W. Hotchkiss. 287 pp. \$5. The Ronald Press Co., New York.

THE author is qualified to discuss this subject, as he is assistant treasurer of the Grand Trunk Railway

and also is chairman of the bills of lading committee of the Railway Treasury Officers Association.

The book contains about 150 pages of text, the balance being appendix matter. All of this material is of reference value to every traffic man. The full text is given of the cruelty to animals Act, the Federal bills of lading Act, the uniform bills of lading Act, the interstate commerce Act, the Harter Act, the United States statutes for the liability of carriers (for loss by fire, for liability of owner not to exceed his interest, etc.), and the British carriage of goods by sea Act. All this appendix material no one is likely to read straight through but its presence in the book is proper, giving the reader full data in the form of a manual. The indexes are well-nigh perfect; in a business book a good index is the secret of real usefulness.

The text traces the history of bills of lading and shows how uniform bills became necessary to clear away the many forms used by carriers and the equally many of important shippers. The author groups his manual under such chapter titles as these:

Obligations and rights of the two parties under the bill of lading (three chapters being necessary for this subject; the carriers' liability for the goods; the limitation of that liability, the law of stoppage in transit; the bill of lading as a document of title to the goods; the transfer and negotiability of the bill of lading; the bill of lading as an instrument of credit; criminal offenses connected with bills of lading; and, in one chapter, live stock contracts and their special forms.

The second part of the volume deals with export bills of lading, presenting, with equal detail, the problems and the law of the contract of the rail carrier in export movement and the contract of the foreign carriers for the same purpose.

Full forms are printed for the ten forms of bills of lading in use: domestic straight, domestic order, export straight, export order, ocean, domestic live stock, U. S. Government, Canadian straight, Canadian order, and Canadian live stock.

The book deals with a subject which is of prime interest to all who handle traffic, and it is, so far as we can discover, the only manual of bills of lading that has appeared for about twenty-five years. It is a volume to be recommended for every traffic office, as it gives a wealth of information which otherwise must be sought from scattered railroad tariffs and

classifications, and as it presents further the law and the procedure which shippers must follow if they wish to avoid liability.

### "Railroad Traffic and Rates"

"Railroad Traffic and Rates." By Emory R. Johnson and Grover G. Huebner. 2 vols. 972 pp., with 175 forms, maps and charts. \$7.50 for the set. D. Appleton & Co., New York.

THE authors are professors of transportation at the University of Pennsylvania, ranking among the best known men in their profession. They have written other standard books on rail transportation. "Railroad Traffic and Rates" comes to *Distribution and Warehousing* for review because recently the publishers found a reissue necessary, although initial publication was fifteen years ago. During these years, however, no other book has appeared which in the reviewer's opinion better fits the need of complete and authentic information regarding traffic systems and rate systems.

The work has of course been used as a text for university classes. Even more to its credit, it has been accepted as the standard authority by Government railroad commissions, and by all those who, on the railroads, have to do with traffic and rate-making, whether freight, passenger, mail, express or Pullman. It has been used for instruction purposes with railway employees' night classes almost without number.

All chapters of a technical character were submitted, before publication, to traffic and transportation officers of leading carriers for criticism and correction, and undoubtedly this fact to some degree accounts for the authoritative position of the book in our literature of business.

It seems to be innate with American men to find entertainment in reading about railroad methods. No subject gives greater delight than the background of tariff-making, the reasons advanced for a particular rate and the stubbornness with which a rate, once established, manages to persist against all efforts. A good book dealing with traffic and rates is as absorbing as a complicated passenger time-table, and is far more valuable as reading matter. Such is the book now being reviewed, with its first volume devoted to the freight service and the second one to passenger, express, and mail.

Nor can a better text be handed to the young man employed in an industrial traffic department. The book is clear and orderly in presentation, and, with its 175 forms and maps, it shows precisely the appearance and the wording of all the documents a man will ever use in traffic matters. There is given, in addition, just as complete a set of forms for reporting and accounting within the railroad organization, a study of which reveals to an outsider the intricacies of railway accounting and often explains why items are demanded that, at first, seem unnecessary.

This book, in a word, has maintained its supremacy for some fifteen years in the railroad world of our country. It is today well worthy a place on any shelf of traffic volumes.

### "Wholesaling"

"Wholesaling." By Theodore N. Beckman. 606 pp. \$6. The Ronald Press Co., New York.

THIS book came into the market in response to a real need for some study into jobbing methods, and, during the year since its publication, Professor Beckman has become almost a public advocate of the old-time wholesaling as contrasted with the newer direct-distribution methods. He is the professor of business organization at Ohio State University; and, at a Washington meeting last December, where jobbing and jobbing methods were under fire, he proved to be a doughty defender of the wholesaler.

In this book he makes the statement that "it is probable that ever since the wholesaler came into existence he has been repeatedly 'eliminated' from our distributive organization;

he has borne the brunt of the attack of vociferous amenders of our economic system more than any other group of middlemen. He states also:

"Every time that a new method of marketing is devised, no matter how trivial it may be, which tends in the long run to eliminate the wholesaler or to minimize his importance, 'willing workers' present themselves anxious to write his obituary. Yet the wholesaler is still doing business, still serving a large clientele of successful, progressive retailers, still acting as an efficient distributor for a majority of the country's merchandise. And there is no reason to believe that another method of distribution will be discovered in the near future which will effect his elimination, as long as he fully realizes his responsibilities, adapts his business and methods to changed conditions, just as retailers have done, and takes definite steps to correct some of the evil practices of which he has been declared guilty."

As a matter of fact the number of lines of merchandise handled through jobbers is on the increase. It is interesting to note that even the newer industries, which ought to adopt the latest methods, have found it more economical to sell their products through wholesalers than to adopt more direct methods of distribution. There are, of course, numerous instances of wholesalers being eliminated just as there are examples of manufacturers selling direct to consumers through canvassers.

Not the whole of this book is devoted to a discussion of the jobber-versus-direct question, but the author fearlessly deals with this matter, being, as already indicated, a strong supporter of jobbing efficiency.

The chapter which deals with the importance of location (within the city) of a jobbing house that aims at success is worthy the reading of any man interested in distribution. Even warehousemen would do well to study its points before determining on a warehouse location, because the principles for a warehouse are the same as for a jobbing house.

Nearly 100 pages of the book are devoted to various methods of stock control, with a wealth of suggestion. This is a particularly valuable portion of the book, all of which, however, merits thorough reading. It is a book which, without question, should be in the office of every distributor and every warehouseman—for benefit of the oncoming generation of managers, and, at the very present, for the guidance of men older and more experienced.

### "Motor Bus Accounting Practice"

"Motor Bus Accounting Practice." By Irvile A. Mav. 200 pp. \$6. The Ronald Press Co., New York.

THE extent of the motor bus business is possibly indicated by the fact that the street railway companies alone are today operating about 6000 motor buses, handling some 600 million passengers a year. In addition are many independent lines, with everywhere individuals running single buses. This book is written by the accounting official of a large group of New England trolley interests which operate bus lines to supplement their street cars, and, although prepared primarily for street car accounting methods, the volume is still so planned that it may be useful to the owner of a small line of buses.

As the volume does not relate to trucks it has only indirect value to the distributor or warehouseman. However, replete with suggestions for knowing costs as an incentive to better management are the whole of Chapter IV ("Tires and Other Supplies") and Chapter V ("Handling Tires on the Contract Basis"). In the latter the author outlines what he considers the proper method of monthly statement for partial payments to the tire manufacturer, as well as the procedure for final adjustment and settlement at expiration of contract.

The book contains fifty-four forms for report and for accounting, of which the "defect card," "bus inspection report," "bus overhead report" and "report of tire changes" would be valuable to any concern operating more than one truck. These forms leave nothing to the memory of driver or garage man.

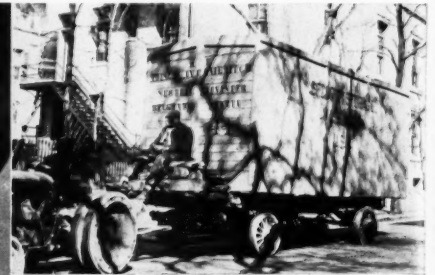


# Distribution and Warehousing's Pictorial



Above—SERVICE EXEMPLIFIED: How the Monarch Transfer & Storage Co., Kansas City, told its facilities-story at recent local Better Homes and Building Exposition. At this booth 6000 persons registered in competition for prizes—and 6000 persons include prospects!

Below—A CAPITAL VAN: Body by Leonhardt, Baltimore; chassis by G.M.C.; cost of job delivered, \$5,176.84, completely equipped for road. Wheel-base, 188 in. Motor, 6-cylinder Buick. Tires, 34x7 dual rear pneumatics, with singles of same size for the front. Body capacity, 750 cu. ft.



Above—DIPLOMACY EN ROUTE: A lift-van of Security Storage Co., Washington, D. C., with household effects of Serbian Minister Antonievitch starting on the long journey to Belgrade.

Below—AN AERONAUTIC BY-PRODUCT: Truck service for "flying machines." Hollywood Storage Co. has developed business of transporting planes to aviation fields in southern California.



## Review of the New and Interesting



Above—BEAUTY IN DISGUISE: Miss Shirley wearing one of the Atlas company's gas masks



Above—A SCRIBE WHO FOUND ROMANCE: Vivian Shirley, Philadelphia Evening Public Ledger writer, atop Atlas Storage Warehouse Co. building which she described as "a stage on which many a little drama of tears and laughter has taken place"



Below—GATHERING OF THE CLAN: Missouri's storage industry and its feminine advisors at "St. Joe" in April. Left—Gov. Block of State air transportation and Delegates Speer, Meisenbach, Herschman, Leritz and Hansen. Meisenbach and Leritz flew from Kansas City in this U. S. Mail plane.

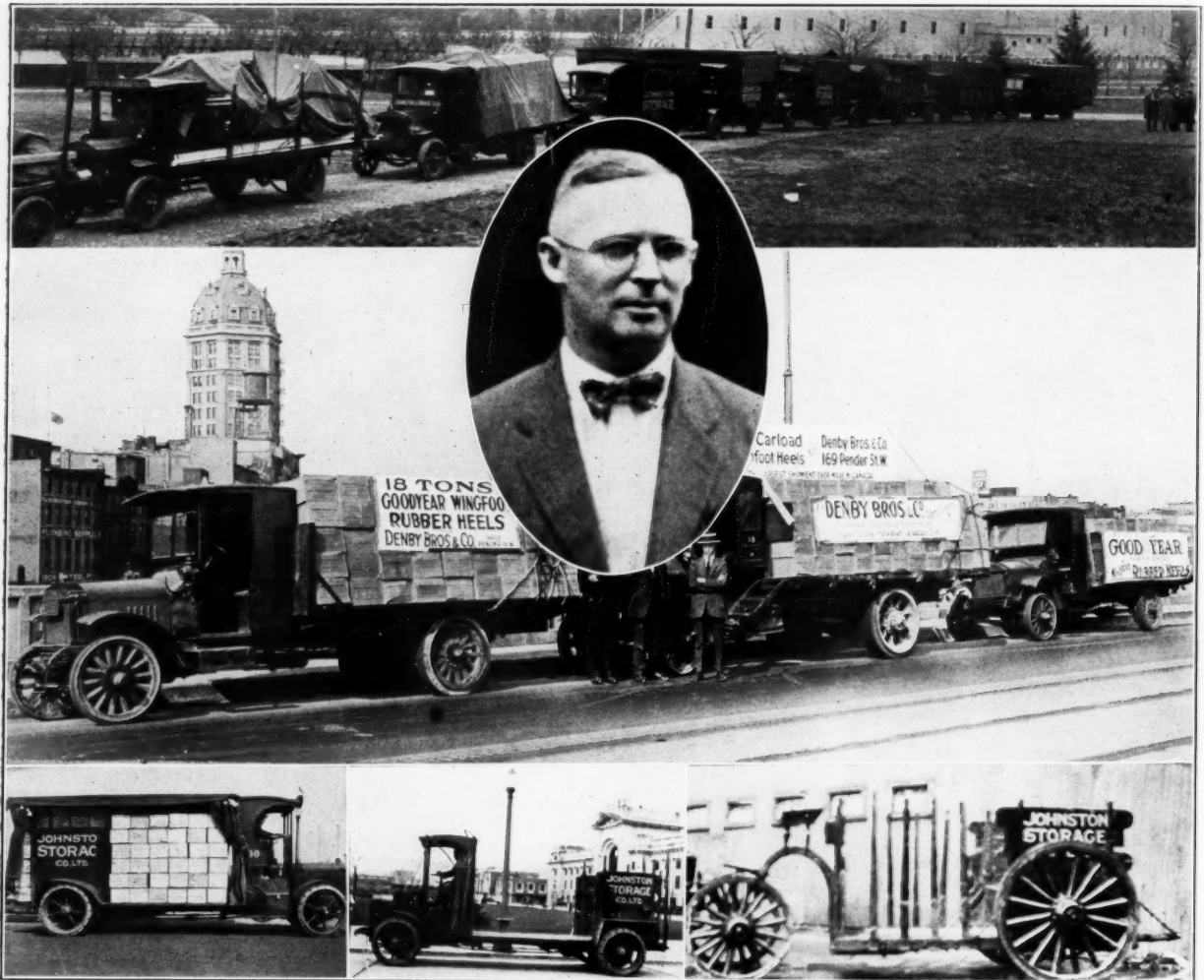


No. 46

**Elmer Johnston**

By ELIZABETH FORMAN

Let's Take the Old Family A



In oval, Elmer Johnston, president and owner of the Johnston Storage Co., Ltd., Vancouver, B. C., Canada. Center, mammoth rubber shipment—handled by the Johnston firm—that later became famous pictorially on a calendar. Above and below, some of the company's truck fleet

**I**T was the day of the big landslide that all but buried the town of Frank, British Columbia, cutting short the lives of men as they went about their work or pleasure and in many cases destroying entire families as their homes were covered with debris of earth and rock from the mountains.

Along a treacherous canyon road a young man was driving a team of mules, taking provisions to a gang of laborers higher up in the hills. As he drove he sang or whistled, all unaware of approaching danger.

Then there was a rumble, a crash, a roar, followed by darkness. A mountain had come crumbling down like a burning match box. And back at the camp below a wor-

ried foreman, hearing of the catastrophe, exclaimed: "Migawd, I wonder if we lost any mules!"

The youthful driver was Elmer Johnston, now owner of the Johnston Storage Co., Ltd., of Vancouver, British Columbia, and also manager of the Canadian National Railways terminal in the same city.

Mr. Johnston moved to British Columbia from Portage la Prairie, Manitoba, in 1903. Having been born and reared on a farm, the care and handling of horses was about all he knew in the way of earning a living, so he quite naturally turned to draying. For ten years he worked for the Manitoba Transfer Co.

(Concluded on page 51)



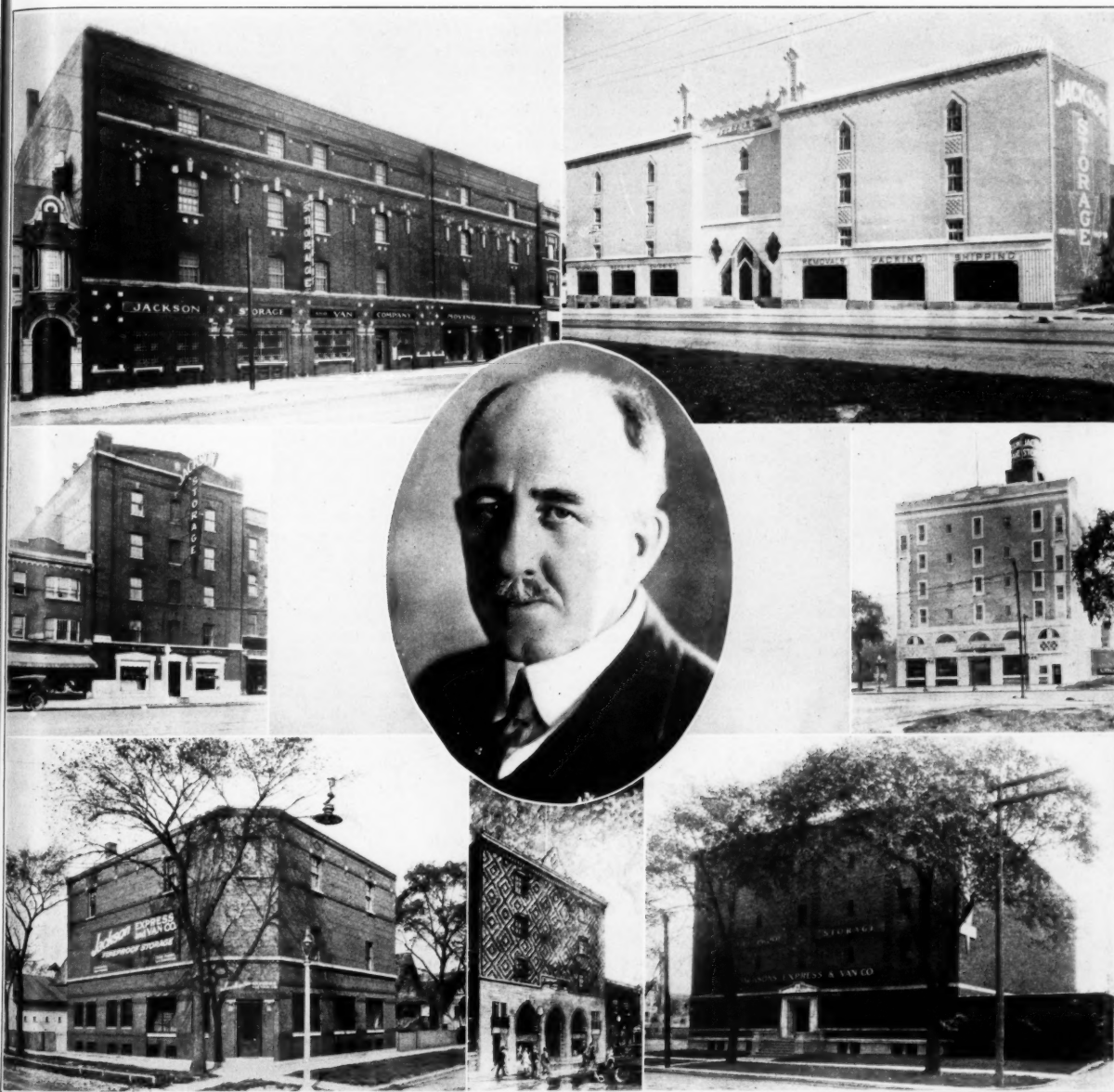
ces Stories

# Album Out of Storage!

No. 47

**Thomas A. Jackson**

By ELIZABETH FORMAN



In oval, Thomas A. Jackson, president of the Jackson Storage & Van Co., operating household goods depositories in Chicago and Suburbs. The buildings are the firm's warehouses in the Illinois metropolis and Maywood, Oak Park and La Grange

**I'm Tom—**A TINY card bearing this cryptic announcement may be found almost any day stuck in a memorandum book, peering from under the glass top of a busy desk, or leaning against an ash tray, in any office even remotely connected with

America's household goods warehouse business.

That is what Thomas A. Jackson, president of the Jackson Storage & Van Co., Chicago, is to other members of his own industry—Tom.

(Concluded on page 53)

# FROM THE LEGAL VIEWPOINT

By Leo T. Parker

## Fire from a Radio Battery

**L**EGAL EDITOR, *Distribution and Warehousing*: Some time ago we had a fire on our Packard van while moving a customer from house to house. The customer sued for loss of the goods and we put in a counter claim for damages to the van. The customer admitted that he gave our men a radio battery to move, and in our opinion we proved to the Court that the battery was the cause of the fire. The customer admitted he knew the battery was dangerous and fully charged and based his claim on the fact that we were common carriers and thereby insurers.

Our defence was that we did not operate under a license and that our business was chiefly the storage business and we did not solicit house to house moving orders; that we reserved the right to accept or reject any order; that we were private carriers; and that the damages were caused by the direct negligence of the owner of the battery.

Thanking you for any help you may give us and trusting that this may be of some interest to you.—*Dooley Warehouse.*

Answer: Broadly speaking, a storage and moving business is classified by the Courts as a common carrier if the firm offers to serve the public generally and without preference.

For instance, in the leading case of *Collier v. Langan & Taylor Storage & Moving Co.*, 127 S. W. 435, it was disclosed that the Langan company was engaged in the business of warehousing and moving goods and merchandise for all persons who requested the service. While moving household goods from one residence to another the van and its contents were destroyed by fire which originated from an unknown source. The moving company attempted to avoid liability for the loss on the grounds that it was not a common carrier. This Court held the company liable for loss of the goods, and explained the test to determine whether a firm is a private or a common carrier, as follows:

"The real test of whether a man is a common carrier \* \* \* really is whether he has held out that he will, so long as he has room, carry for hire the goods of every person who will bring goods to him to be carried. The test is not whether he is carrying on a public employment, or whether he carries to a fixed place; but whether he holds out, either expressly or by course of conduct, that he will carry for hire, so long as he has room, the goods of all persons indifferently who send him goods to be carried."

However, you may avoid liability by proving that the damage to the goods resulted by accidental or uncontrollable events and that you were free from fault. (6 La. App. 638).

This applies particularly where goods liable to effect damage are delivered to you for transportation. Generally, this latter rule of the law applies where the goods are of such character that the common carrier could not by the application of ordinary care determine the dangerous character of the shipment. (21 F (2nd.) 396).

Moreover, the common carrier is not

coats. Instead of getting the money, she consulted an attorney, and he advised her to take the coats to the police station, and stick to her story that she found the coats.

We always try to meet our customers half way, but in this particular case we can't see where this party should collect from us. We would appreciate your advice.—*Booth Bros. Transfer & Storage Co.*

Answer: Generally speaking, a storage company is liable for loss of goods as a result of negligence of himself or employees. A transfer company classed as a common carrier is liable as an insurer of the goods. Therefore, if the coats were stolen while you were under the classification of common carrier, you are liable for payment to the owner a reasonable value of the wearing apparel. She is not obligated to accept the coats if they are not in reasonably good condition.

On the other hand, if the coats were stolen from your warehouse, you are not liable unless the theft was made possible by a want of ordinary care on your part.

With respect to prosecuting the presumed thief, it cannot be successfully accomplished merely by the introduction of testimony disclosing that she had possession of them and had a reputation with the police record as being a thief. Proof of the actual theft complained of must be supplied.

## Taxation of Stocks

**L**EGAL EDITOR, *Distribution and Warehousing*: Some time ago, I remember, you discussed the warehousing of spot stocks in various cities outside of the State of the manufacturer. If I ship a carload to an Ohio city, consigned to ourselves, can our salesman sell those goods, sending the order to Boston for invoicing and collection of charges, and can we order any part of that carload delivered or reshipped to our customers without further expense, as regard to taxation or license?

Answer: The answer to your problem is supplied by the outcome of a very recent litigation in the case of *Columbia Motors v. Ada County*, 247 Pac. 786. Here the question presented to the Court was whether merchandise in a warehouse, under the circumstances herein-after set forth, still remains a shipment under the interstate commerce laws.

The facts are that a manufacturer shipped merchandise on the order of a purchaser. The purchaser refused to accept the shipment on its arrival and the railroad company stored it in its own warehouses, awaiting orders from

## What Don't You Know?

**M**R. PARKER answers legal questions on warehousing, transfer and automotive affairs.

There is no charge for this service.

Write us your problems. Publication of inquiries and replies gives worth-while information to you and to your fellows in business!

an insurer of goods classed as perishable. (297 S. W. 444).

It seems that, as your customer delivered the full charged radio battery, knowing that the same contained a full charge, it was his legal duty to crate the same to avoid short circuiting which undoubtedly caused the fire. Of course if he had informed you that the battery was not charged, there would be little doubt of your being relieved of liability.

## Two Stolen Coats

**L**EGAL EDITOR, *Distribution and Warehousing*: On Jan. 1 we moved a family in this city. Some two months after we did this moving one of the daughters informed our office that she had just missed two of her coats and did not remember seeing them since we did the moving.

Some time later this same lady called our office and stated that a girl friend had seen a lady with a coat that was exactly like one of the coats in question. With the cooperation of the police we secured the coats. The lady who owned the coats would not accept them but demanded the money (ninety-five dollars). The chief of police gave the party twenty-four hours to pay for the

the shipper. While the merchandise was in the warehouse and the manufacturer was endeavoring to induce the consignee to accept the shipment, the assessor of the County in which the merchandise was stored assessed it for taxation and levied a tax against it.

In this case, the Court held the manufacturer or consignor *liable* for the payment of the taxes and explained that, where a shipment of merchandise in interstate commerce has arrived at its destination and the consignee refuses to accept delivery of the same, the title remains in the name of the consignor, and the latter is liable for taxes. This Court held further that if the goods are stored in a warehouse, the interstate commerce laws are not effective. Whereby, you would be liable for payment of taxes.

Also, see *Rhodes v. Iowa*, 107 U. S. 412, where the same point of the law was involved.

#### A Bonding Problem

**L**EGAL EDITOR, *Distribution and Warehousing*: We are desirous of knowing whether a bonding company may cancel a bond for which they are charging a premium of \$50 a year and raise it to \$250 per year premium.

We merely want to know if legally they can do this or not.—*Missouri Warehousemen's Association*.

Answer: The answer to this question depends entirely on the terms of the contract existing between the warehouseman and the bonding company. In other words, if the bonding company unconditionally agreed to furnish a bond for one or more years at \$50 a year it cannot legally cancel the bond and increase the premium to \$250 a year, unless the warehouseman has performed some act by which the bonding company is automatically released from liability on the bond.

Of course if the contract between the warehouseman and the bonding company provides for a payment of \$50 a year, with privilege of the bonding company increasing the rate under stipulated circumstances, the bonding company is legally entitled to increase the rate in accordance with the terms of the contract.

On the other hand considerable controversy has existed where it is contended that the warehouseman, in effect, verbally agreed to the increase when the written contract contains no provisions of this nature. Under the latter circumstances, testimony is admissible to explain, but not to vary, the contents of the written agreement. Moreover, testimony may be admitted to prove that a verbal agreement between the warehouseman and the bonding company is supplementary to the written one.

Generally speaking, the bonding company necessarily would rely on the terms of the written agreement when desiring to increase the premium for supplying a warehouseman's bond, and if the contract contains no stipulation whereby the bonding company is privileged to cancel the bond or increase the rate during the term of the contract, the bonding

company may not legally cancel the bond and increase the premium until the term of the bond has expired.

#### Liability for Fire

**S**ELDOM do the Courts explain in detail the requirements of a warehouseman to avoid liability for damages.

For this reason the recently decided case of *Tubbs v. American Transfer & Storage Co.*, 297 S. W. 670, is unusually important.

The facts of this case are that the American company conducted a warehouse in Dallas for the purpose of storing goods, wares, and merchandise for others. In August a customer stored in the warehouse his household and kitchen furniture and some family wearing apparel. On Sept. 2 the warehouse burned and the goods were destroyed.

The testimony disclosed that the warehouse was a large, one-story building, its outer walls of brick, and its dimensions 50 by 160 feet. It was divided into compartments, but was not a fireproof building. The building was located in the vicinity of railroad switching tracks, where railroad engines were frequently operated. The fire occurred between 3 and 4 o'clock on a Sunday morning. *There was no night watchman*, nor anyone else regularly kept in the building at night, and no one there on the occasion of the fire. An employee of the warehouseman would lock it up at about 8 o'clock in the evening, look over the premises on the outside, and then go to his home across the street from the warehouse, and usually retire for the night. There was no automatic sprinkler installed in the warehouse, and the fire-fighting appliances consisted of eight pyrenes, designed to extinguish fires by the use of chemicals, located in different places in the building. Two policemen regularly walked the beat on which the warehouse was situated.

The lower Court held the warehouseman not liable for the loss, but the higher Court reversed this verdict and remanded the case to the lower Court for a trial before a jury. In doing so this Court explained in great detail the duties of a warehouseman to safeguard against injury and damage to stored goods, in part saying:

"The rule is well settled by these cases that a warehouseman is not an insurer of the property in his custody against fire, but is responsible for loss or injury from this cause only in case of failure on his part to exercise ordinary care to prevent damage to, or destruction of, the property in storage from such cause. This duty, as to the exercise of ordinary care, extends *not only to the means employed to prevent a fire*, but also to means employed to arrest its progress after its origin. It is an admitted fact in this case that whatever damage was occasioned appellant (customer) was due to a fire that virtually consumed the warehouse and its contents. The burden of proof rested on appellant (customer) to show that the damage he suffered was the proximate result of the failure of the appellee to exercise ordinary care

to prevent such destruction of the property in its custody. There is no evidence that the fire originated through any negligence on the part of appellee (warehouseman) or its employees. . . . What precaution was taken? There were eight pyrenes, of varying size, which are intended to extinguish and arrest the progress of fires by means of the use of chemicals. These could only be operated by hand. No one was placed in the building at night to make use of these appliances, and they constituted no precaution against fire at night. Automatic sprinklers are brought into operation by the generation of heat from a fire, and do not require the presence of anyone for their operation. They do not tend, of course, to prevent the origin of a fire; but the evidence is undisputed that they have established their value in arresting the progress of a fire. If a night watchman had been in the building, he could have operated the pyrenes, the use of which is to extinguish a fire. If automatic sprinklers, the use of which is both to extinguish a fire and to hold it within a narrow limit, had been installed, this fire might have been arrested and held within a narrow limit."

#### A Roof That Leaked

**I**N *Cordes v. Guy Investment Co.*, 262 Pac. 131, a lease contract contained the following clause:

"The lessee shall not use said premises for any other purpose than that of a general storage and sales business. \* \* \* Necessary repairs to roof, walls, or foundation are the concern of the lessor. \* \* \* It is hereby agreed that the lessor will guarantee to lessee the quiet, peaceful and uninterrupted possession of said premises for the full term of this lease."

The lessor observed that the roof of the building needed repairs and notified the owner, who failed to make the repairs promptly.

Immediately thereafter the warehouseman received for storage 1500 pounds of steel piano wires. Soon thereafter, while the wire was stored in the leased building, leakage through the roof wet and damaged the wire to the extent that it became of practically no value, and could be sold for the price of only \$27.

The warehouseman sued the landlord for the damage. In holding the latter liable for full damages sustained by the warehouseman, the Court said:

"It seems to us that the words 'necessary repairs to roof \* \* \* are the concern of the lessor.' . . . The contemplated use of the space by the plaintiff (warehouseman) was clearly understood and agreed upon, and it was manifestly that use that was guaranteed to be 'uninterrupted,' meaning, we think, such safely uninterrupted use as contemplated."

#### Legal Ownership of Goods

**F**EW warehousemen are aware of the risks of financial loss where he takes possession of goods in violation of the



possessor's instructions not to do so, although the former stores the goods by authority of a customer who claims rightful ownership to the property.

Generally speaking, a warehouseman is safe in refusing to accept goods for storage where he is informed that litigation is likely to arise over the legal ownership of the same. This statement is particularly applicable with respect to property which the warehouseman is authorized by one party to store in his warehouse, whereas the other party who claims ownership warns the warehouseman not to take possession of the property.

For instance, in *Beckwith v. Independent Transfer & Storage Co.*, 141 S. E. 443, it was disclosed that a man named Beckwith had purchased certain steel girders from the Washington Theater Co. Beckwith did not remove the girders from the latter company's property immediately. Soon after Beckwith purchased the girders a judgment was foreclosed against the theater company. The Real Estate Securities Co. purchased the girders at the sheriff's sale. Soon thereafter the real estate company employed the storage company to transport the girders to its warehouse to place them in storage.

When Beckwith learned that the real estate company had employed the storage company to take possession of the girders, he immediately notified the parties that he had purchased the girders from the theater company prior to the sheriff's sale.

However the real estate company instructed the storage company to transport the girders irrespective of this notification, stating that its purchase at the sheriff's sale was legal.

The storage company proceeded to transport the girders in disregard to Beckwith's request not to do so. Beckwith then sued the storage company for the value of the girders, contending that it was liable because of the established law that an agent is personally liable for assisting his principal in converting another's property.

#### Evidence at the Trial

During the trial the evidence disclosed that the storage company had three separate notices of claim—the first by Beckwith in person when the men were preparing to remove the girders; the second by an employee of Beckwith who on a later occasion found them in the act of removing the girders; and the third by an employee of Beckwith at a time when two of the girders still remained on the property. This last notice was in writing and informed the storage company that Beckwith would enforce his rights regardless of the "pretended sale" of the constable. At this time Mr. Jobb, of the storage company, told the theater employees that the real estate company had guaranteed him that it would protect him against any loss which he might sustain by reason of removing the steel, and that he was going ahead and remove it. This same witness testified that one of the employees of the real

estate company made the assertion that the company had to have that kind of steel anyway, that it suited their purposes, and that if they went into the market and bought the steel they would not have to pay any more for it than if Beckwith recovered the cost of the same from them.

The lower Court held the storage company not liable, but it is important to note that the higher Court reversed this verdict, saying:

"Inasmuch as there was a conversion on the part of the securities company, does the fact that the transfer company acted as an agent of the former in removing the goods from the plaintiff's (Beckwith's) premises constitute a good defense as to said transfer company? The general rule is that an agent who assists his principal in converting property of a third person to the use of the principal is personally liable to the true owner for the loss thereby inflicted upon him. And the cases supporting this doctrine, with but very few exceptions, hold the agent liable even though he was ignorant of his principal's want of authority. . . . The fact that the transfer company had notice that the plaintiff (Beckwith) claimed a right in the steel girders, which he stated he intended to enforce, makes it liable jointly with its principal (surety company)."

#### Chattel Mortgage Pointers

A CHATTEL mortgage recorded in one State is effective on the property which is moved into another State (*First National v. Ripley*, 215 N. W. 647). Moreover, the mortgage need not be recorded in the State into which the property is moved, to retain a valid lien.

The same law is effective with respect to a chattel mortgage recorded in one city; it need not be recorded in another city or county in which the owner of the property moves. (*Block v. Kinsler*, 215, N. W. 433). Although another mortgage is recorded in the latter place, the first mortgage retains its priority.

Generally speaking, a lien for the purchase price of a mortgaged article is superior to a Court judgment obtained against the mortgagor prior to the date the purchased mortgage is recorded. (*Bitchie v. Irwin*, 139 S. E. 910).

The holder of a mortgage always is entitled to possession of mortgaged property, unless a valid contract to the contrary exists between the parties. (*Blonquist v. Haley*, 260 Pac. 572).

A mortgage on a stock of goods is valid, although the mortgagor is permitted to sell the stock from day to day. (*Kramer*, 21 F. (2d) 614).

Where a mortgagor wrongfully sells mortgaged property permitted to remain in his possession, he is bound to pay the holder of the mortgage. (*McLead v. Neigh*, 114 So. 176).

At any time a mortgagee pays the amount of the mortgage he is entitled to cancellation of the mortgage, and may apply to a Court to have the cancellation legally completed, if the mortgagor refused to do so. (*Levine v. Lachman*, 215, N. W. 320).

#### Guaranty Contract Held Valid

THE legal form of a guaranty contract was under discussion in the recent case of *Swilley v. City Investment Co.*, 288 S. W. 485.

The facts of this case are that the Kent H. Easter Warehouse & Forwarding Co. owed several due and past-due notes the aggregate amount of which was then probably \$16,000 or more to the Second National Bank, Houston, Tex. The bank asked for payment, and refused to renew the indebtedness unless furnished additional security in the form of a written guaranty of the amount signed by the individual directors of the company, which was done in the contract, as follows:

"In consideration of \$1 in cash, and other good and valuable considerations, we, the undersigned, do hereby bind ourselves, our heirs, and legal representatives, jointly and severally, to pay to the Second National Bank, of Houston, Tex., at its office in Houston, Harris County, Tex., any and all indebtedness which Kent H. Easter Warehouse & Forwarding Company now owe or may hereafter owe to the said Second National Bank in whatsoever form said indebtedness may arise or be expressed, whether by notes, discounts, overdrafts, interest, or in any other manner whatsoever. . . ."

The bank accepted the guaranty contract as satisfactory for a renewal of the note and refrained from placing the matured obligations in the hands of its attorneys for collection, and, after merging them all into one note, renewed the indebtedness for further periods.

When the substituted note came due and remained unpaid by the directors of the warehouse company, the bank instituted legal proceedings to collect the same.

Counsel for the directors contended that the guaranty contract was invalid, because it related to a past due indebtedness. The higher Court, however, held the directors liable, and explained the law as follows:

"The bank in good faith relied wholly upon the guaranty in renewing the indebtedness, and, if it had not been so executed and delivered to it, would have filed suit thereon instead. Their (directors) sole contention here is that no sufficient consideration for their guaranty contract was shown, but that under the undisputed evidence it merely amounted to a simple guaranty on their part of a past-due indebtedness to the bank. In this case, the bank, in reliance upon the guaranty not only did forbear a suit upon a matured indebtedness, but also accepted a renewal note for it then executed, thereby conferring upon the obligors the benefit of an extension of time, and depriving itself of its right to proceed against them until the expiration of the renewal period. . . . The granting of this extension by the bank, manifested by taking a renewal note in response to, and in sole reliance upon, the absolute promise of guaranty signed and delivered to it at the time by directors, constitutes, we think, a sufficient consideration for their undertaking."

H. A. Haring's

# New Business for Warehouses

## XXXI Poultry Supplies in Smaller Cities and Country Towns

IN the days of our mothers the farmer's wife hardly hoped that her husband would provide her with spending money. Standing close to the farm woman, in this respect, was the wife of any small-town man. She, too, was expected to render exact account for every dollar handed over by her "lord and master," who reserved unto himself the right to control the family's purse.

Every woman, nevertheless, felt the need of an occasional dollar to be expended for finery or one of the non-essentials of life that do delight a woman's heart without, at the same time, appealing to her spouse strongly enough to make him provide the dollar without grumbling. Women, this whole country over, accordingly exercised their ingenuity in order to obtain an occasional bit of cash which they might lavish or hoard, without accountability either as to its total or its destination. For want of a better name, this woman's perquisite of the home came to be known as "pin money."

Inasmuch as this country was essentially agricultural until the past sixty years the conditions of farm life gave rise to "egg money" as the most common place for women to obtain their "pin money." Hens, running about the barn and fields, cost, to all appearances, no money. Certainly no cash outlay was given them. The eggs they

laid, and the luscious food they furnished the table, were thought of as "costing nothing but the trouble," and, it being permitted to the women folks to gather the eggs and feed the baby chicks, the women gradually cashed in on their labor by selling an occasional dozen of eggs or a pair of broilers or a "setting" of fertile eggs.

Scientific farming, however, has put an end to this hit-and-miss poultry raising. Changed living conditions have wrought changes on the lowly hen. Poultry-raising is no longer what it was—for it was no more thought of in those days than it would have been to provide for the robins or the cardinal grosbeaks that found a living on the waste products of the farmer's acres. Eggs, today, have a cash value. They rank, indeed, as one of the major farm crops, with a total yield in dollars of approximately one billion each year, while poultry for food purposes runs into hundreds of millions.

With the hen as a major source of farm income, farmers are now willing to spend money for supplies, for accessories to chicken raising, even for feed and remedies for chicken ailments. What applies to chickens applies equally to turkeys, ducks, guineas, squabs, geese and pea-fowl (in the few regions where they are bred).

### Of Interest to Warehousemen

TO the warehouseman in a big city, poultry raising means little, unless he operates a cold storage plant and stores eggs. Eggs, however, are the "manufactured product" of poultry-raising, and we are just now concerned with poultry equipment and supplies, not with eggs or frozen fowls.

The agricultural colleges, in cooperation with the many departments of agriculture in State and Federal government, have elaborated the technique of successful poultry-farming. Just to scan the pages of a farm publication reveals the immense importance of poultry, these journals being, possibly, the best index we have as to what is vital to farm folks. Every apple-growers' publication, every stock-growers' paper, every one that is issued primarily for wheat farmers, or dairymen, or cotton planters, or tobacco and peanut raisers, even to the citrus growers and the pecan farmers—all, in fact, without exception give prominent place to the poultry page. Wherever farming is done, in brief, poultry raising exists; not, as with our mothers' generation, as a by-product of the farm "just to keep the back yard clean of scraping," but as a definite source of cash income for the farm.

The outcome of the agricultural colleges' work has been to make plain to farmers that "success in poultry raising" will come only from laying out some cash in order to harvest more cash. Scientifically-balanced rations insure egg yield; trap nests give undeniable evidence as to which hen "makes her keep" and which one lays no eggs; large kerosene lamps, or powerful electric ones, lengthen the daylight hours and thereby increase egg laying; hens must be compelled to "scratch" for their feed unless the owner wants them to get as fat and useless as hogs; insecticides and sprays prevent disease and prolong life; incubators relieve the hen of hatching her eggs, while brooders mother their chicks after hatching—both these contrivances introduce method and order, as well as perform on a wholesale scale, for what Nature taught the hen. Science attempts to better the hen's lack of brains and to make good her forgetfulness.

The farm market is, as a result, flooded with poultry equipment.

Examine, now, any farm publication that lies ready at hand. Ivory Soap, that sells for ten cents or less, carries full page advertisements, often in color. Breakfast foods, that sell from fifteen to twenty cents, and Campbell's soup

and Heinz' varieties, that sell at about the same level, can invest in full pages, quite as profitably as Ford and Rumley and International Harvester for articles that sell for hundreds of dollars. But, if you look for poultry supplies, it will be necessary to scrutinize the classified columns and read two-inch advertisements that are crammed with copy in small-font type. This remark applies equally whether the poultry item sells for ten cents or two hundred dollars; and, it is safe to assert, half the "cards" will be appeals for "agents" to make "big money" taking local orders for the advertiser's product.

These advertisements tell the whole story of poultry supplies. Literally hundreds of manufacturers are turning out poultry equipment and poultry supplies.

Almost without exception they have failed, and failed utterly, to get adequate distribution.

### How the Warehouse Can Help

EACH manufacturer enjoys a fair business close to home, where he and his product are known. They are not, as a rule, large enough financially to enlarge the zone of a local market. Fewer of them know how to go about such an undertaking, even when they de-

sire it, and only a handful of them have attained anything to approach national distribution. The advertisements, nevertheless, show conclusively that each is reaching out for more trade, and if one takes the pains to talk with such a manufacturer he will find that distribution is decidedly "spotty"—at any point where a "live agent" has been found, volume is good, but everywhere else orders are only occasional. Makers of poultry supplies boast of "orders from every State in the Union" but their haughtiness shrinks if anyone asks "How big is the total by States?" Stray orders do come, from the tiny advertisements, but the real volume is apt to be confined to one or two "home" counties.

As a manufacturing business these poultry suppliers find it rather difficult to protect their devices by patents. Most of the equipment has been perfected in the agricultural experiment stations, or Governmental laboratories, and is public property. The most makers can offer, as a general thought, is good manufacturing of good material to comply with Government specifications. Well established trade names bring orders. Trade marks of appropriate sound, easily remembered, have become the key to repeat orders, and this condition makes easy the path for an active agent or a local dealer who has the time to push one maker's goods.

But—and here's the rub of this industry—the local dealer has *not* the time to push these goods. The dealer is usually a grocery, or hardware, or feed store—intent on other lines. Poultry supplies are, of course, stocked. They are brought to the front of the store in March and April, with good intentions of catching the customer's eye, but shortly they become buried beneath more quickly moving goods, such as seeds, onion and tomato sprouts, cultivators and rakes, fresh strawberries and lettuce.

Season after season the same thing occurs.

#### "Going National"

THE total of poultry supplies consumed in the country is, of course, enormous. No single maker, however, does the volume to which he feels entitled, and, as a result, manufacturers come and go, beginning with a good product locally popular but going down to disaster under the cost of trying to enlarge the market by "going national"—with a modest advertising campaign but without distribution to support the demand. Each local market is supplied with many makes of similar equipment, which the prospective customer can handle and obtain immediately, whereas for the advertised article he must buy unseen and he must, beyond that, pay transportation charges.

Thus poultry supplies afford the warehouseman, in a small city or a country town, a chance for new business.

One warehouseman, in a town of 6,000 people told me this:

"Three years ago one of our school teachers had a break-down. He was compelled to be outdoors, but wasn't strong enough to do hard work. He tried can-

vassing of one kind after another, but couldn't make a go of it. He asked me for work, but I had nothing, and then after talking with him I asked him why he never tried selling chicken incubators and brooders. I know a lot of them go through the freight station here.

"Well, after a couple of weeks of corresponding with the makers he came back with a handful of letters. He could get a lot of openings, but every one of them wanted him to lay down a couple of hundred dollars for a stock. The only other way open was to buy a sample and then have each order come by express, charges C. O. D. That made the cost too high and it made his customers wait too long after being talked into the sale. The teacher was all for quitting my chicken suggestion, but he came to me for help and I felt I wanted to give a lift.

"I wrote to the company he thought he'd like to represent. I told about him. I proposed they ship a dozen outfits to my warehouse and give me authority to deliver for signed orders, either cash or on their printed terms. And, say—that was all he needed!

"That was three years ago. He never went back to teaching. He's making all of \$3,000 a year and has spread out into several counties. The company spends quite a bit for local advertising to help him along, and they're cashing in big on it, too."

Needless to add—the warehouse has a fine account.

#### What Can Be Done

THAT story came to me in February or March, 1926, somewhat over two years ago. During those two years I have found eight warehouses in small cities—as contrasted to the important commercial centers—with poultry supplies accounts of this sort, and during the same period I have myself proposed such an account to probably a score of other warehouses, where the management has had an open mind for developing its business by "doing the unusual." I can number seven of these to whom I have talked who have actually gone after this business of poultry supplies and have made a success of it.

One of these seven now has three "accounts" of this sort; two have four each; two have two each, the others one apiece. I am not acquainted with the figures of revenue, except for two warehouses of this seven. The owner of one tells me that "The chicken supplies are worth \$1,800 a year to me," and another warehouseman (with three accounts of this sort) declares:

Warehousemen would be amazed to know the number of telephone inquiries which *Distribution and Warehousing* receives, seeking information regarding reliable storage companies in all parts of the United States and Canada. This is one way in which is increased the circulation of the annual *Warehouse Directory*—which answers the inquiries.

"If I'd offered you ten per cent of the business, you'd be getting a check for \$25 to \$30 a month, the year through."

As it stands, this warehouseman has bought me one lunch and I him one—yet his enthusiastic remark shows that, with his "go-getting" ways, he has turned a chance suggestion into net profits.

To get this business, the warehouseman must go a bit out of the ordinary methods of soliciting an account. Each of the seven—or at least so I understand—began by finding some man (two of them were women) in the vicinity of the warehouse, who was willing to become local agent for poultry equipment, and make a serious business of his agency, with every intention of making it a permanent connection. After finding such a person for agent, the warehouseman and the prospective agent together made an approach to the poultry manufacturer of their choice.

To him they presented a definite proposal: the agent was to solicit orders, make collections both for cash sales and for instalments as they fell due; the warehouse was to be made a spot stock for the complete line; the warehouseman was to honor requisitions from the agent, and, in his absence, to sell for cash to all customers both equipment and supplies; the manufacturer was to encourage the agent by advertisements in the local newspapers and to pay the agent for the expenses of exhibits at "fairs."

Such a proposal contains nothing new, except that the warehouseman assumes the initiative by persuading some local person of the right sort to become agent.

This step is, however, a bit novel, because warehousemen are generally content to fight for the business that is offered. Seldom are they willing to take a few days to develop business for some other concern, with which no "account" is in sight.

Yet it is this sort of energy that builds up new warehouse accounts which stick, regardless of the price cutter "down the track at the next street crossing."

#### Maas Heads Morgan Firm

At the recent regular meeting of the board of directors of the Morgan Warehouse & Commercial Co., Dallas, Henry K. Maas, who had been the firm's secretary and treasurer, was elected president, treasurer and general manager, succeeding the late Sam T. Morgan, who was president. Mr. Maas has been with the company for twenty-five years.

#### New Texas Company

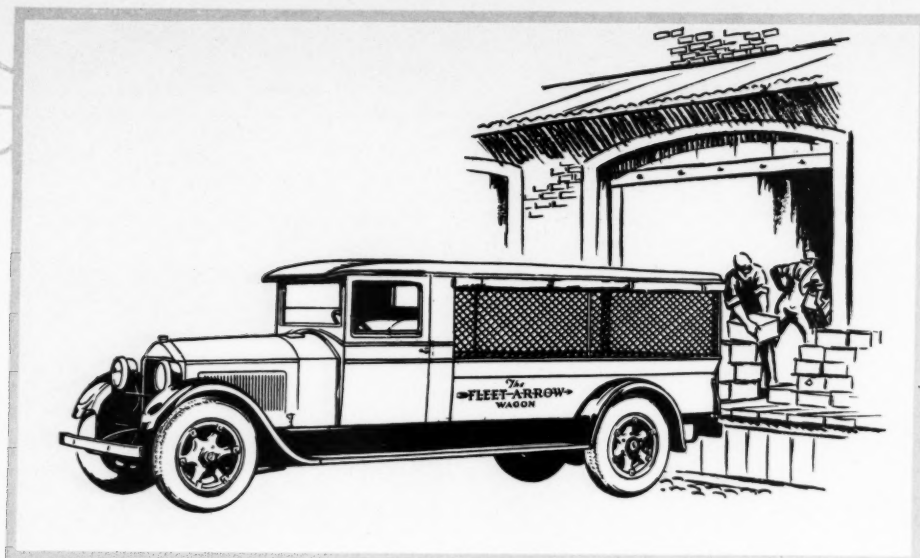
The Sinton Warehouse Co., Sinton, Tex., has been incorporated by J. K. Cain, W. C. Sparks and J. F. Odem with a capital stock of \$25,000. The firm plans to erect a large general warehouse and serve the South Texas coastal country.



# **Today's Greatest Performance**

***in the 1 to 2 Ton Field***

***See it Today—***



## HERE IS A PIERCE-ARROW PRODUCT!

Built to go *farther* and *faster*—to *last longer* and *cost less per mile*—than anything in its field.

The new Fleet-Arrow comes from the same hands which built Pierce-Arrow trucks that, after 10 or 12 years, are *still making money*.

It drives like a passenger car.

Yields more than 70-horsepower.

Turns on remarkably short radius.

Carries 1500 to 4000 pounds pay load.

And embodies such other outstanding features as: A Pierce-Arrow 6-cylinder engine. Safety 4-wheel mechanical brakes. 7-bearing crankshaft. High carbon steel frame. Tubular radius rods. Dual rear tires, if desired.

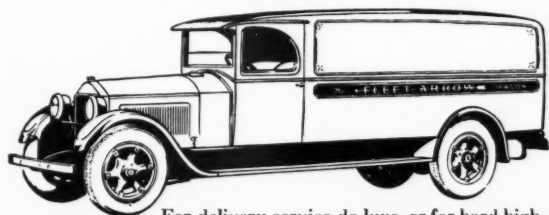
THE NEW  
**FLEET**

**I**F you want to save on delivery costs, on the per mile basis—the only *true* basis—  
If you want serviceability with long life beyond that of any motor vehicle on the market—  
If you want speed combined with safety and the lightest upkeep cost you've ever known—  
See the sensational new Pierce-Arrow product, the Fleet-Arrow Wagon! *See it today!*

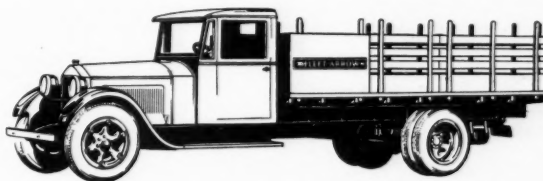
**\$2450**

for 140-inch wheelbase  
\$2500 for 160-inch wheelbase  
\$2550 for 180-inch wheelbase  
for chassis only, at Buffalo  
*Dual Rear Tires, Extra*

Clip the coupon for further details. Or phone your Pierce-Arrow dealer for demonstration.



For delivery service de luxe, or for hard high-way expressage, the Fleet-Arrow chassis finds equal favor.



Rugged construction insures the economy of longer life to the bodies mounted on the Fleet-Arrow chassis.

COMMERCIAL CAR DIVISION  
**THE PIERCE-ARROW MOTOR CAR CO.**  
*Buffalo, N. Y.*

**ARROW**  
**WAGON**

PIERCE-ARROW MOTOR CAR COMPANY  
1697 Elmwood Avenue, Buffalo, N. Y.

You may send me details of the new Fleet-Arrow Wagon.  
I am interested in reducing delivery costs.

Name .....

Street .....

City .....



# S P E C I F I C A T I O N S

## GENERAL DIMENSIONS

Wheel bases.....	140"	160"	180"
Dash to back of seat	50 $\frac{1}{2}$ "	50 $\frac{3}{8}$ "	50 $\frac{3}{8}$ "
Back of seat to center line of rear axle.....	52 $\frac{3}{8}$ "	72 $\frac{3}{8}$ "	92 $\frac{3}{8}$ "
Back of seat to end of frame.....	106 $\frac{3}{8}$ "	126 $\frac{3}{8}$ "	146 $\frac{3}{8}$ "
Axis of rear axle to end of frame.....	54"	54"	54"
Frame width front.....	28 $\frac{1}{2}$ "	28 $\frac{1}{2}$ "	28 $\frac{1}{2}$ "
Frame width rear.....	34"	34"	34"
Track front.....	58"	58"	58"
Track rear.....	57"	57"	57"
Track rear.....	61 $\frac{1}{2}$ "	61 $\frac{1}{2}$ "	61 $\frac{1}{2}$ "
Overall width front.....	68"	68"	68"
Overall width rear.....	65"	65"	65"
Overall width rear.....	77 $\frac{3}{4}$ "	77 $\frac{3}{4}$ "	77 $\frac{3}{4}$ "
Turning radius.....	22' 6"	For 140" wheel base	

**ENGINE**—6 Cylinder, 3 $\frac{1}{2}$ " x 5", SAE rating 29.4 HP.—Governed speed 2500 RPM. Bloc cylinder "L head" with large jacket capacity; Bores ground and honed to close tolerances. Develops in excess of 70 hp. Aluminum alloy removable cylinder head; permits higher compression, greater efficiency and better cooling.

**LUBRICATION**—Forced feed to all bearings including wrist pins by geared pump located in oil pan and driven from cam shaft.

**CARBURETOR**—Pierce-Arrow-Stromberg; adjustable heat regulator on manifold. Choke control from dash. Thermostatic control of mixture compensating for engine temperature.

**CRANK SHAFT**—Seven bearing, drop forged, machined all over. Bearings: Main, 2 $\frac{3}{8}$ " dia., connecting rod, 2 $\frac{1}{8}$ " dia. Statically and dynamically balanced.

**CRANK CASE**—Aluminum alloy casting with integral flywheel housing and engine supporting arms. Oil pump carried in base and easily removable for cleaning.

**IGNITION**—Delco 6-volt with automatic and manual spark advance. Generator and distributor one unit. High tension wiring in conduit on cylinder head. **BATTERY**—111 Ampere hour, rubber case. **GENERATOR**—Delco 6-volt driven by flexible coupling. **STARTING MOTOR**—Delco 6-volt. Positive engagement by foot pedal.

**TRANSMISSION**—Three speeds and reverse selective type in unit with clutch and engine; case hardened and ground gears; all shafts mounted on ball bearings. SAE standard large size power take-off opening in left side of housing. Ratios—First, 3.33 to 1. Second, 1.98 to 1. Third, 1 to 1. Reverse, 4.35 to 1.

**PROPELLER SHAFT**—Two piece with self-aligning ball bearing mounted amidships on cross member and lubricated from right side of frame. Oversize metal joints with oil tight casings.

**FRAME**—Heat-treated, high carbon  $\frac{3}{16}$ " pressed steel. Five cross members gusseted to side members. Maximum frame section 7 $\frac{1}{8}$ " x 4" x  $\frac{3}{16}$ ".

**SHOCK ABSORBERS**—Houdaille Hydraulic Shock Absorbers control the front spring action. No absorbers required for rear because of long spring.

**REAR AXLE**—Full floating bevel drive with pressed steel housing and 1 $\frac{1}{2}$ " heat treated chrome nickel steel shafts. Timken bearings in wheels and differential. Bevel pinion straddle mounted on Timken and Hyatt bearings. All gearing chrome vanadium steel with heat treated teeth. Pinion and gear tooth faces, 1 $\frac{1}{8}$ " long. Gear ratios—52/7 : 1 and 63/7 : 1.

**RADIUS RODS**—Tubular one piece type 1 $\frac{1}{8}$ " dia. with adjustable ball sockets each end and springs to check rattle. Rigid anchorage on both axle and frame to case hardened removable ball pins.

**BRAKES**—Pierce-Arrow four-wheel mechanically operated brakes fully enclosed, of internal expanding type. High carbon steel forged drums machined all over and with cooling fins. Auxiliary transmission brake.

**WHEELS**—Cast steel with integral hubs, six hollow spokes 20" dia. rims. Dual rear wheels of same type. All rims interchangeable front and rear.

## TIRES

Standard Equipment—	
Front	32 x 6" Pneumatics
Rear	34 x 7" Pneumatics
Special (at extra cost)	
Rear	32 x 6" Dual Pneumatics

**STANDARD CHASSIS EQUIPMENT**—All electrical equipment, instruments, tire carrier, spare rim, tools and tool box.

## WEIGHTS

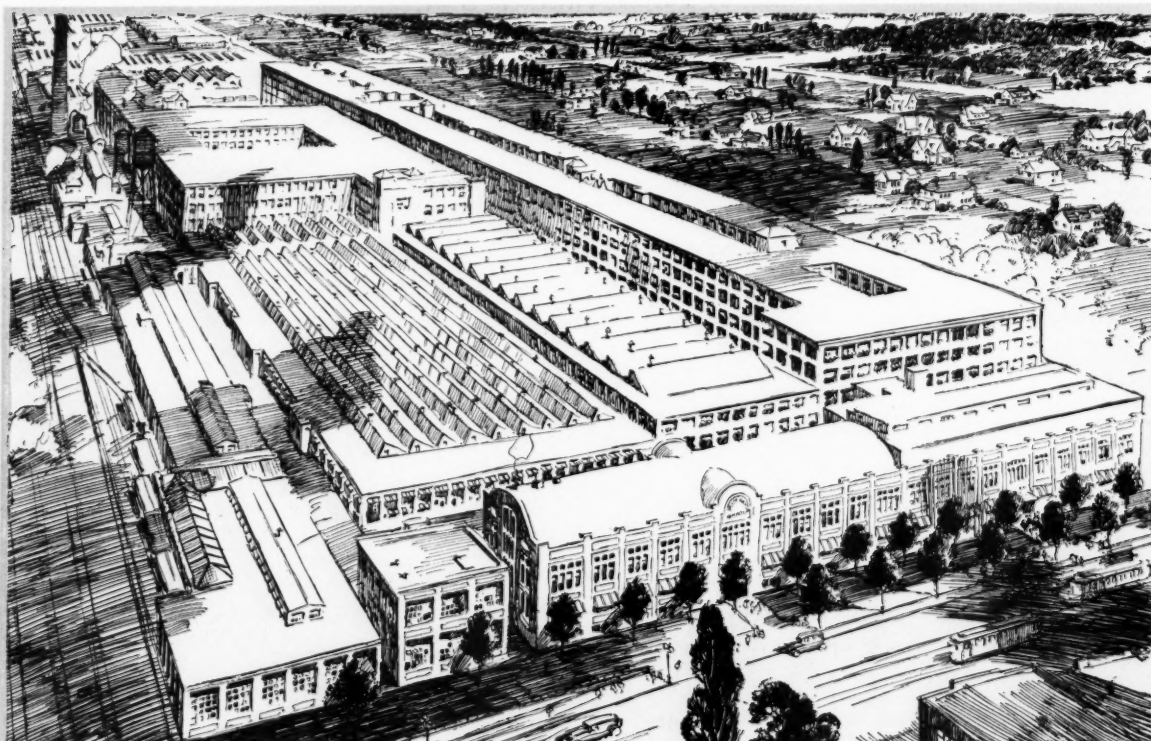
Chassis	140" Wheel base	3796 lbs.
	160" Wheel base	3928 lbs.
	180" Wheel base	4060 lbs.

The weights approximate, with equipment, including full charges of gas, water, oil, spare rim and 34 x 7" tires.

## ROAD SPEEDS

At standard governed engine speed of 2500 RPM—

Tire Size	Axle Ratio	MPH
32"	52/7 to 1	47
32"	63/7 to 1	38.6
34"	52/7 to 1	49.3
34"	63/7 to 1	40.5



The Pierce-Arrow Factory at Buffalo, New York

# Keeping Up With the Developments in the Motor Truck Field

FOR the busy executive of a warehousing business who is keen to keep abreast of the times there are several important new things to think about in the field of motor hauling. Developments are following one another at a rapid pace, and all have a distinct bearing on the cost and opportunities of handling the hauling requirements of any warehouse business, regardless of its size. There are many advancements being made on the manufacturers' side of the industry, and some of these will be discussed in this department, which is conducted

By PHILIP L. SNIFFIN

## THIS MONTH

### New Tendency of Delivery Managers Is to Disregard Others' Averages and Compare Periods and Cost Divisions of Own Services; Methods of Accurately Comparing Costs. New Truck Models

IN any warehouse business, from the standpoint of the executive responsible for management, the problem of keeping overhead to a satisfactory minimum consists largely of these two things:

1. To charge each department and each overhead account directly and accurately for each item of service represented in the total.

2. To establish some basis of comparison or index which will serve as a guide for determining to what extent the cost of this service pays its way.

These two processes are, in fact, absolutely essential

parts of accounting practice in any warehouse business when it aims to keep overhead down and to make each item of overhead pay its own way.

They apply most significantly to the truck cost account and provide the means for making delivery expense stand on its own.

We shall note in this article some of the ways in which this viewpoint can help a warehouse executive see more specifically the actual dollars-and-cents value returned from his investment in trucks.

#### Splitting Up Truck Costs

THE best minds today—those which are making scientific studies of truck use—are looking at the delivery subject as “a business within a business.” While it is perhaps easier from an accounting standpoint to throw fleet expense into the overhead and distribute it arbitrarily, the accuracy of the results obtained in this manner is questionable.

Obviously a basis of expense distribution which may be accurate for such overhead items as rent, heat, general administrative costs, etc., is not necessarily an equally accurate basis for allocating transportation expense. This fact is gaining more general recognition; and it is becoming increasingly common to find where the fleet provides transportation service for several different departments, that each department is charged directly for and in proportion to the service it receives.

From the standpoint of the management of the business as a whole, charging each department directly for the use it makes of the fleet has the very important advantage of providing a more nearly correct picture of the cost of operating each division of the enterprise.

This, of course, means that the weakness of one department or the strength of another is not hidden by including in the arbitrarily distributed overhead fleet expenses that can be allocated directly. Naturally the direct distribution of fleet expense places the management in a better position to control operations and to make plans for the future.

The transportation department also benefits greatly, as this method of expense distribution in effect gives it the status of a separate business within the main enterprise. Analysis of cost records provides a basis for charging the various departments, and the credits offsetting these charges on the books represent fleet income. As a result a fund is created out of which the fleet must pay its expenses, any credit balance remaining after all costs have been covered being “profit.”

The natural tendency is for the fleet management to endeavor to show as large profits as possible consistent with good service, and, of course, this means that there is a constant urge to reduce costs. Naturally this suits the executive of the business, as it means a bigger net for the business as a whole, and

at the same time it provides him with a yardstick to use in measuring the accomplishments of the fleet superintendent.

Some additional paper work and perhaps some changes in the record keeping are necessary to the inauguration of this plan of expense distribution, as provision must be made for measuring the service rendered each department. This may not be an easy thing to do, but any resulting increase in clerical expense ordinarily is found to be more than absorbed by other savings incident to such a plan.

#### Difficulties in Comparisons

IT will unquestionably be a long time before any basis is devised which will enable delivery costs to be compared from one business to another. When delivery men get together this is the principal topic of discussion. It has long been recognized that the greatest need of modern delivery practice is the discovery of some basis which will take into account all variations between businesses and at the same time enable a serviceable comparison to be made.

The difficulties in arriving at such a uniform measure can be better under-



This truck, the first in the East to bear the colors of the Allied Van Lines, Inc., the inter-city removals organization of the National Furniture Warehousemen's Association, is an Autocar Ranger, one of the most recent productions of the Autocar Co., Ardmore, Pa. It is a 6-cylinder vehicle, equipped with a dual range transmission and selective sliding gear that provides eight gradual gear changes, giving high road speed and low motor speed essential where fast dependable cross-country hauling is involved. In the service of the Haugh & Keenan Storage & Transfer Co., Pittsburgh, this truck made its first haul to St. Louis, returning by way of Chicago, and its second run was to Atlantic City, N. J.

stood by referring briefly to the questions which arise between delivery men when one or more of them place their cost figures on the board for mutual benefit.

"Just where do delivery costs begin?" they ask one another. "Do you charge garage overhead into your delivery costs?" "What employees are charged to you delivery?"

The answers to such questions as these vary almost as greatly as the number of concerns involved.

Here is a delivery superintendent of a department store, for instance, whose system does not charge parcel post to the delivery, but, nevertheless, he takes credit in his number of packages delivered for all the packages and loudly proclaims that his "per package delivery cost" is seven, eight or nine cents. The poor chap whose monthly reports back home show his costs to be around twelve to fifteen cents hangs his head in shame and remains silent. Where, he asks, do delivery costs begin? Do they begin at the curb, or at the internal delivery, or at the counter?

Then here is another man who loudly proclaims that his delivery costs are one-tenth of one per cent of the business. Just what does this mean? Is net sales the proper figure on which to base delivery costs? Where is this man's business located and what are the topographical conditions under which he operates his delivery? Is it a high-class, medium-priced, or low-priced trade? Does he have to make one or two deliveries a day? What percentage of bulk sales are included, or has he gently disregarded his bulk deliveries and quotes us only certain kinds of costs?

All of these questions indicate that the crying need in delivery accounting, considered as of the industry as a whole, is a standardization which will take into account the different factors and condi-

tions which enter into the problem in different cities and among different concerns.

Until such a standardization is obtained it is foolhardy to attempt to make such comparisons.

The cost figures of one concern mean nothing to another concern, and, in fact, may do more harm than good to the firm that attempts to use them as an indication of what such service should cost.

For the time being the wise delivery executive will keep his own figures, watch them closely, cut down where he can, and save time and worry by disregarding the figures of other concerns no matter how nearly they seem to approach his own operating conditions. The big opportunity before him now, inasmuch as no symposium or general comparison can be of value, is to watch his own costs, split them up so that he may intelligently control them, devise some "cost per unit of delivery" basis, stick to some method of computing that basis, and then try to improve that figure as best he can from one period to another.

#### Knowing the Real Costs

THIS question of the delivery superintendent knowing his costs is another interesting subject for discussion. At a meeting of delivery men some time ago a show of hands indicated that only seven out of about 125 men present received detailed monthly statements of the operating cost of their departments. How can they be expected to improve conditions under such an arrangement?

The opportunities which are available to the truck user who knows his costs, and who splits them up properly among the departments using the service, can be illustrated by an example of a concern which has actually made its fleet

show a profit year after year. This instance, while it does not pertain directly to warehouse conditions, illustrates the kind of opportunities available to any warehouse owner.

The fleet of French Bros., Bauer Co., ice cream and milk dealers, Cincinnati, Ohio, furnishes motor transportation to the various departments of the company on a flat rate basis and made a substantial profit on 1927 despite the fact that prices charged the departments have been materially reduced in the past four years.

No favors are shown the fleet in fixing prices, and in some instances the rates agreed upon are lower than actual bids of outside haulers. The reduction in hauling cost and the profit shown by the fleet represent savings over earlier fleet expenses. More efficient use of trucks brought about by a careful study of the transportation needs of the company, promotion of good will of drivers and garage personnel, and reduction of maintenance cost are among the factors which have contributed to the showing.

Prices charged for use of trucks are based on time or mileage, according to the service rendered. Trucks rated at 1½ tons are billed to department using them at \$1.35 per hour, 2½-ton units at \$1.50 per hour, and 3½-ton for \$1.60 per hour. Ford passenger cars used by the sales department are charged at rate of \$75 per month, and 1-ton trucks cost the departments using them \$125 per month.

The amount charged the various departments represents the whole income of the fleet and maintenance; gas, oil, rent of garage, taxes, insurance, depreciation are among the expenses paid by the fleet from this income.

Drivers' wages are charged directly to the department responsible for their employment and are not included in the charge for the use of the trucks.

The fleet comprises 173 units, of which 110 are used for city service, 21 for rural delivery, and 42 are owned by a subsidiary company. The volume of business charged by the fleet may be judged by a total of 69,636 miles billed in a recent month, exclusive of the operation of the 42 trucks last mentioned.

Improvement of the conditions under which the fleet was operated and maintained started some five years ago. At that time trucks were repaired by an outside agency, there were practically no records of individual trucks, and the policy of charging departments their proportionate share of the motor transportation account was not well defined.

The delivery superintendent advocated the setting up of maintenance facilities and the keeping of records of each truck, although complete maintenance was not undertaken at the time the general idea was accepted by the company. The first step in keeping records was the listing of engine and chassis numbers and the name of the branch to which each truck was assigned. This work has been carried on until the delivery superintendent now has a complete history of each





Grammm motor trucks being taken to Kansas City, one for delivery to the Federal Van & Storage Co. and the other consigned to the Perky Bros. Transfer & Storage Co. These chassis, for high speed work, have powerful Buda 6-cylinder engines. Each is of the bus type, which carries a low loading height and at the same time incorporates the latest designs in chassis construction. Moving vans, like buses, demand considerable rigidity in their frames. These trucks are products of Grammm Motors, Inc., Lima, Ohio.

truck with note of the extent and cost of all repair work. When it was decided that each department would be billed with the amount of motor transportation it used, the rates were based on costs at the time. It was obvious that a showing by the fleet could be made only by more efficient operation and reduction in the cost of maintenance.

Illustrative of the savings brought about in the use of one heavy duty truck to replace two or three formerly required for hauling to Covington, Ky. The distance is short, and it was found that one truck carrying a heavy load and running slow could do the work at much less cost than the trucks formerly used.

#### Building Good Will

Hauling of blocks of ice to a branch furnished another opportunity to demonstrate the value to the company of a well-managed fleet. The branch manager secured a bid from a contract hauler at ten cents a 100 pounds, which he considered a very fair figure. Asked his opinion of the bid, the delivery superintendent said that he would do the work for five cents. The latter figure showed a profit not because the contract hauler's estimate was too high, but because a company truck was making a return trip empty each day on which the ice could be hauled without any extra mileage—a fact which the branch manager did not know.

Saving in the cost of maintenance and building up good will of drivers were two problems to which the garage manager devoted his attention. Heavy duty trucks are checked once a week, usually on the driver's day off. In case any trouble is discovered which cannot be repaired in one day, a substitute truck is assigned to the run the next day. The 1-ton retail milk delivery trucks are brought into the shop once a month. Sixteen men comprise the garage personnel.

Work performed on trucks on the "shop day" is recorded on a printed form designated "Truck Inspection and Work Report." The parts of the chassis are listed and the need for work is noted by the inspector. The parts used, number of hours of labor and signature of mechanic doing the work are noted on the back of the form.

Spare units are kept in stock for quick replacement; these include one engine for 1½-ton trucks, one for 2½-ton units, and two Ford engines, in addition to wheels, axles and transmissions.

The year 1926 was the first during which the shop performed all of the maintenance, including complete overhauling. Comparative figures for transportation charged to departments and cost of operation and maintenance for the months of January, 1926 and 1927, show the benefits of the present policy. In January, 1926, charges to departments—in other words, the income of the fleet—amounted to \$9,151.90 and the cost was \$10,372.08: a loss of \$1,221.18. A profit of \$3,524 was shown in January, 1927, when the charges totaled \$11,784 and cost dropped to \$8,260.

This illustration shows what can be done by careful application of study to the figures of a concern's own delivery department, without the aid of outside comparisons.

It is a fact of considerable importance that comparisons within an organization permit greater results than attempts to judge by the figure of another concern's experience.

Consult the annual Warehouse Directory when making shipments. In no other book can be found information so comprehensive.

An intelligent guide to economic distribution: the annual Warehouse Directory. He who consults it, profits.

There's not another book like the annual Warehouse Directory. It lists all the reliable warehouse firms in the United States and Canada. Consult it—and benefit.

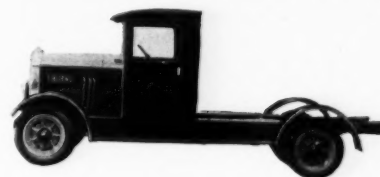
If Oskamulpeepee, in whatever State, has a warehouse that is reliable, that warehouse is listed in the annual Warehouse Directory—consult the book for dependable information.

The business-seeking warehouseman tells his service story every year in the Warehouse Directory. He deserves your shipment in return.

#### New Truck Models

**PIERCE-ARROW MOTOR CAR CO.,** Buffalo: A new model, H-B, has a vehicle gross weight rating of 20,000 pounds at the tires, is powered by a 4-cylinder engine developing 48 hp. at 1600 r.p.m., and sells for \$4,500 f.o.b. Buffalo. It is furnished in three different wheelbases. Cast-steel wheels are standard with either solid or pneumatic tire equipment. Solid equipment is 46 x 5 front and 36 x 6 dual rear. Pneumatic tires are 38 x 7 front, 40 x 8 dual rear.

Selden Truck Corporation, Rochester,



New 1-ton speed truck, the product of the Selden Corporation, Rochester, N. Y.

N. Y.: A new 1-ton speed truck embodies 4-wheel brakes, 6-cylinder engine and 8-foot loading space. While the chassis is rated at 2000 pounds capacity, it is capable of carrying a 50 per cent overload, or 3000 pounds. Maximum normal speed is 30 to 35 miles an hour; maximum, 50 miles. Wheels are malleable iron, spoke type, with 30 x 5 pneumatic tires front and rear. Wheelbase is 142 inches, suitable for a 9-foot body.

Standard Motor Truck Co., Detroit: The Fisher Junior Express is a 1-ton, 6-cylinder model with a maximum capacity of 2000 pounds. Body allowance, 750 pounds. Chassis weight, 3620 pounds. Gross, 5370 pounds. Wheelbase is 140 inches, with special 132-inch and 114-inch lengths. Wheels are of metal spoke type, 20 inches in diameter. Tires are pneumatic; both front and rear, 30 x 5 inches. Price of chassis, complete with speedometer, electric lights, starter, horn and spare rim, \$975, f.o.b. Detroit.

White Motor Co., Cleveland: Model 58—a 3-ton, 180-inch wheel base truck chassis—is announced. Power is furnished by a 4-cylinder engine. Wheels are cast steel spoke type. Standard tire equipment is 36 x 5 single solid front and 36 x 5 dual solid rear, with other sizes and combinations optional at extra cost.

#### Additional Aid for Barge Lines Voted by House

The Inland Waterways bill, authorizing an increased appropriation of \$10,000,000 for expansion of the facilities of the Mississippi River barge line and extension of the service of the Inland Waterways Corporation, was passed by the House May 17 without a record vote.

The bill would increase the corporation's capital stock to \$15,000,000, instead of \$5,000,000, the additional \$10,000,000 worth of stock to be subscribed by the United States.

If all storagers who  
contribute to this mo.'s  
"Two Bits" were  
placed end to end—

# TWO BITS

—they would reach  
from St. Louis, Mo.,  
to Tampa, Fla., or  
vice versa.

Vol. VIII. No. 12

A Bit Here, A Bit There

Gotham, June, 1928

## Our Editorial Policy

SCARCE does it seem like 8 yrs have passed since Ye Ed. inaugurated this intellectual public'n yclept *Two Bits* yet if you will look at the top of this page you will find "Vol. VIII, No. 12." It was in July, 1920, that we ventured to thrust this highbrow magazine into the privacy of storagers' careers, on a/c that we had a suspicion at that time that nobody particular was reading *Distribution and Warehousing* & our object was to make you want to take the wrapper off the darn sheet. If you are reading this text, then we know you took the wrapper off of this mo.'s issue, therefore our campaign has been a success.

Next No. (July) we will start Vol. IX, pronounced as in "Fix," & probably you will want to know in advance whether *Two Bits* has any editorial policy. Our answer is affirmative. We have an editorial policy. It is to provide serious & constructive reading for storagers & distributors.

That policy can be carried out, however, only if our readers supply us serious & constructive material in the way of contrib'n's. You cannot expect Ye Ed. to write serious & constructive material on a/c we are not mentally equipped, therefore we must depend on our readers' contrib'n's.

## Our Honor List

WE depended on our readers' contrib'n's during Vol. VIII, & what happened? The majority of the time we had to write *Two Bits* without any assistance, is what happened. That made the quality inferior, & we warn you that Vol. IX will be commensurately inferior unless our readers volunteer serious & constructive material.

In the yr just closing, for instance, we could count on the fingers—the thumbs not inclusive—those who contributed. We will alphabetically mention this honor list:

1. Ben Brockway, the Gotham storager whose hobby is peculiarly-colored neckties. 2. Geo. C. Dintelmann, the St. Louis storager. 3. Ray Ford, the Omaha storager. 4. J. L. Kelso, the Boston storager. 5. Geo. Rhame, the Minneapolis sec. 6. John Simon, the Peoria steel magnate. 7. Sid Smith, the Tampa storager. 8. Al. Walker, the DSInc man of Chicago.

There are thousands of intelligent storagers & distributors or else *Two Bits* would not be published. Yet of them all, only 8 sent us items this yr. There is something radically wrong about this situation & we will welcome suggestions as to how to solve it.

PROBABLY the answer is that *Two Bits* is not as good as, say, it used to be. Maybe Ye Ed. is getting a bit old—publishing a magazine like *Two Bits* for 8 yrs would have that tendency—& should be retired on a pension, which would bring up the question, Where is the pension coming from?, also Would the storagers' industry be glad to chip in and supply a pension in order to retire Ye Ed. on it & thus get rid of *Two Bits*? Probably they would, but Vol. IX will start next mo. nevertheless.

## This Month's Contributions

WELL, regardless of who may volunteer in Vol. IX, we are going to wind up Vol. VIII in a blaze of glory by publishing a couple (2) of contrib'n's from those old dependables, Geo. Dintelmann, the St. Louis storager, & Sid Smith, the Tampa storager.

IN answer to what Geo. calls our "serious minded article, page 37," of the May *Two Bits*—our plea for contrib'n's—Geo. writes—

"Pleased be advised that I have been seriously watching a 'Chip off my Block,' to wit: 1 4-yr-old child with a Dintelmann brain, who, when told in answer to her question that God made her out of nothing, said—

"Well, daddy, maybe if I die and go to Heaven and God is not through making people out of nothing He may let me watch and see how He does it."

MEANWHILE Sid, who recently transplanted himself from Chicago to Tampa, has been continuing his ecclesiastical investigations, and reports:

"I am surprised to find that the smallest man in Bible times was not Nehemiah, as I had previously supposed, but one of the Shuhite tribe."

## Our Pension Fund

WELL, those are examples of what the storagers' industry can do to make *Two Bits* serious & constructive if they set their mind to it, also they will show you the kind of items we could use. We don't want 2nd-hand jokes from last yr's foreign's funny papers. We want original material only—serious & constructive like Geo.'s & Sid's. If you decide to contrib but are in doubt as to the quality of what you write, send along a 2c. stamp for the return of the manuscript & if we decide not to use your contrib'n we will throw it away & keep the stamp. If we get enough stamps we will not need any pension & the pension problem will thereby solve itself.

## A Postponed Invention

WELL, last mo. (May) we promised you this mo. (June) we would tell you about the Ariseograph. The revelation must be deferred. The man who is inventing it is H. Sutherland Denlinger, a Gotham newspaperman who has covered a lot of the big criminal trials for his paper. He got the idea through experience with lawyers who always got to the court room late in the morning, & he figured that he would be bestowing a boon on the legal profession & on the judiciary if he could invent a contrivance that would make lawyers get up early & get to court on time. He anticipated that he would have his contrivance so far advanced that *Two Bits* would be able to tell you about it this mo. (June), but on the morning of the day which he had set aside to put the finishing touches on his wonderful invention he overslept.

So we will have to put over until next mo. (July), when Vol. IX will commence, telling you about the Ariseograph. All we can say now is that an alarm clock and a phonograph are two of the principal cogs in the invention, & we are telling you that much only so that you will take the wrapper off of the July *Two Bits* when it reaches you providing your subscription has not expired meanwhile.

SPEAKING of the Ariseograph, Geo. Dintelmann, the St. Louis storager, wants to know whether, if we ever die, will we go to Heaven on it; also, confidentially, would it ever keep one from descending elsewhere.

Confidentially, Geo., if Mr. Denlinger ever completes his invention we will send you one free & you could do your own experimenting. Let us know the result & we will publish it in *Two Bits* & send a copy to the angels or the imps, as per whichever you request.

## One Does Observe

THE U. S. Gvt. has sent us its Dept. of Agriculture pamphlet "Sorgo Silage, Sorgo Fodder and Cottonseed Hulls as Roughages in Rations for Fattening Calves in the Southwest." We do not know anything about the southwestern ones, but after viewing this spring's throngs on 5th Ave., Gotham, we would say that some of the silage, fodder & hulls could be used to advantage in these environs.

We had contemplated to publish a few more series & constructive items this mo. but we will let the next line end Vol. VIII.

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Practical information for traffic executives.  
By Grover G. Huebner and Emory R. Johnson

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A comprehensive treatment of traffic management.  
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Regulations, as prescribed by Department of Agriculture, for warehousemen storing canned foods.

**Warehouse Directory (subscription to Distribution and Warehousing included) . . . 3.00**  
The industry's annual reference volume, containing statistics and data regarding warehouse companies throughout the United States and Canada. The 1928 edition appeared as part of the January issue of *Distribution and Warehousing*. Extra single copies, each . . . . . 1.00

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# WITH THE ASSOCIATIONS

HERE is presented in tabloid form the Association news that is of general interest to the industry as a whole. No effort is made to present complete reports of all Association meetings; the dissemination of such information is logically the work of the officers and the committee chairmen. What is presented here is in effect a cross-section review of the major activities so that Association members may be kept advised as to what "the other fellow" elsewhere in the country is thinking and doing. When annual or semi-annual meetings are held, more extended reports will occasionally be published.

## *A Strong Trade Association Equips an Industry for Self-Regulation, Says Federal Trade Commissioner Myers*

TRADE associations were described as effective stabilizing agencies in business in an address by Abram F. Myers, member of the Federal Trade Commission, before the Interstate Cottonseed Crushers Association in New Orleans on May 17.

"The industry that possesses a strong trade association," Mr. Myers said in part, "is equipped for self-regulation in a degree which, if wisely directed, will effectively preclude governmental interference by rendering it unnecessary. Organizations of professional men exercise an effective control over the conduct of their members and see to it that they conform to well-established ethical standards. A strong movement is on foot to extend this method of self-regulation to all industry, to be exercised independently in some instances, and in others in cooperation with government agencies.

"It is highly desirable that industry proceed independently of the Government in such undertakings as far as practicable. The weakness of this character of self-regulation is that the standards of conduct prescribed have no posi-

tive sanction beyond the fact that one who violates them will merit and receive the scorn of his associates. The obligation to observe standards worked out in cooperation with and approved by the Government generally will be regarded as more binding, even though unenforceable as a matter of law. The Federal Trade Commission is seeking to cooperate with business in this way through the medium of trade practice conferences.

### *Codes of Ethics*

"To date approximately thirty such conferences have been held with varying degrees of success. For the most part the practices resolved against at these conferences have constituted unfair methods of competition within the meaning of the Trade Commission Act as construed by the courts. When such resolutions are violated the Commission proceeds against the offender, not for infraction of the resolution, but under the organic act. Resolutions covering practices not violative of the act within any previous interpretation thereof, generally are not approved by the Commis-

sion, but are received as 'expressions of the trade.' It is greatly to be regretted that the status of resolutions of this class has not been judicially defined.

"Codes of ethics can and frequently do take a wide range and vary as do the details of the various industries. Sixteen trade abuses are listed by the Department of Commerce in its recent volume on Trade Association Activities, as common to practically every industry.

"The real difficulty with these codes is that they are too often drafted in broad terms to allay the fears or overcome the opposition of particular groups, with the result that they are too general to serve as an effective means for the elimination of trade abuses. Codes framed and adopted in this fashion constitute a mere gesture, and in the long run may give birth to more disputes than they settle. Before adopting a code the members of an association should decide definitely and specifically the practices they intend to prescribe, and then declare against them in terms which cannot be misunderstood."

## **British Columbia**

WITH twenty-seven persons attending, the General Cartage & Storage Association of British Columbia, Canada, held its eleventh annual meeting on May 2, at the Grosvenor Hotel in Vancouver, and elected officers as follows:

President, Elmer Johnston, president Johnston Storage Co., Ltd., Vancouver.

Vice-president, Robert Wilkinson, secretary Reynolds Cartage Co., Ltd., Vancouver.

Treasure, W. Dalton, secretary Vancouver Warehouses, Ltd., Vancouver.

E. A. Quigley, Vancouver, continues as secretary.

## **Brooklyn**

MAINTENANCE of the higher storage and moving rates which went into effect on April 15 was the principal subject discussed at the May meeting of the Furniture Warehousemen's Association of Brooklyn and Long Island. The members generally agreed that the

increases were necessary, and the discussions were designed to strengthen the minds of some new members that new and added revenue was essential to warehousing interests.

W. W. Weekes, secretary, brought up the subject of uniformity in telephone directory advertising. It was decided that the uniform space plan could not yet be satisfactorily worked out in Brooklyn.

Edward T. Jenkins, the president, was in the chair after an absence of several months, but Harry T. Wastie, vice-president, presided at Mr. Jenkins' request.

—P. J. O'Connor.

## **Cleveland V. O.**

THE first issue of *The Van Owner*, a monthly publication launched by the Cleveland Van Owners' Association, with which leading local warehouse companies are identified, gives the background of an action which the Andrews Furniture Storage Co., the Lincoln Stor-

age Co. and the Windermere Storage Co. has instituted before the Ohio Public Utilities Commission against a warehouse firm in Columbus for hauling of household goods of families in Cleveland and other points in Ohio to Columbus in alleged disregard of the tariff which the Columbus company had filed, as an operator under an irregular certificate, with the Commission. The Columbus company is declared, in a complaint filed with the Commission, to have hauled the goods at a flat rate of \$150 a load instead of at the rate specified in its tariff on file with the Commission.

In connection with this case, W. R. Thomas, president of the association and vice-president of the Lincoln Storage Co., writes to *Distribution and Warehousing*:

"You no doubt are aware that there have been a good many remarks made by members of the National Furniture Warehousemen's Association in reference to the Ohio law in governing hauling over our State highways.

"It is our belief that this law is a step

forward for the good of trucking interests, but our State officials have not been very warm about enforcing the law as it should be and no attention has been made to the enforcement of rates.

"The Cleveland van owners have decided to find out whether the State simply wants our taxes for operating over the highways or if they are going to enforce the law as to rates and certificates.

"This is the first rate case that has been brought before the Commission. Haulers and railroads are very much interested in the outcome of the decision which may be passed on by the Commission."

At a hearing before the Commission early in May the Columbus company appeared with attorneys to fight the charge.

Frank E. Kirby, Columbus, secretary of the Ohio Association of Commercial Haulers, attended the hearing.

The Commission held its decision in abeyance after hearing the testimony.

The Cleveland Van Owners' Association retained William C. Blackmore, of the law firm of McConnell-Blackmore & Cory, Cleveland, to represent the three warehouse companies who were the plaintiffs. Mr. Blackmore is considered an authority on the laws governing bus and truck regulation.

### Colorado

THE sixth annual convention of the Colorado Transfer and Warehousemen's Association, held at the Cosmopolitan Hotel in Denver on April 27-28, broke two records. The first was that of attendance, with forty-five persons registered, and the second was that for intensive discussion. Officers were elected as follows:

President, Charles McMillan, president McMillan Transfer, Coal & Storage Co., Fort Collins.

Vice-president, J. W. Milne, president J. W. Milne Storage Warehouse & Transfer Co., Grand Junction.

Secretary, Lester W. Freedheim, manager household goods department, Kennicott-Patterson Warehouse Corp., Denver.

Treasurer, James Duffy, Duffy Storage & Moving Co., Denver.

Probably the most important subject before the convention was the inter-city removals situation, including Allied Van Lines, Inc., organized by the National Furniture Warehousemen's Association. "AVLine" was indorsed after considerable discussion.

Another important subject considered was that of legislation governing trucks engaged in inter-city hauling, and with the same subject went that of motor truck license fees.

In case of the latter subject, a test case is in the Courts. The past Legislature approved a bill which increased truck license fees to such an extent that their costs were almost prohibitive. The Johnson Moving & Storage Co., Denver, agreed to be the "goat" for a test action and declined to pay the new tax. The case was taken into the Courts, backed

by the association, which won in the lower Courts. The State appealed to the Supreme Court, and the higher jurists had rendered their decision at the time the convention was in progress.

Judge Harry E. Class, the association's attorney, addressed the meeting and explained the situation. Member expressed opinion is that the case would be won. It was pointed out that the decision would affect practically all motor trucks operating in Colorado.

In the matter of inter-city hauling legislation, certain State officials have interpreted the law to mean that warehouse and transfer men doing contract hauling between cities came under the jurisdiction of the Public Utilities Commission, and therefore, in order to move a load of household goods from one city to another, the transfer company must apply to the Commission for a certificate of public necessity and be governed by the rules regulating common carriers. These regulations have been interpreted to mean that in case the permit is granted the carrier must operate on regular schedule between the two points. However, legal authorities have advised the warehousemen to disregard such an interpretation, on the belief that a warehouse and transfer man is not a common carrier, inasmuch as he is not compelled, as are railroads, bus lines and trucking lines, to accept and transport the merchandise of any and every person who is willing to pay the transportation charges. The warehouseman who moves a load of household goods from one city to another does so by contract, and therefore should be classed as a private contract carrier.

### Truck Costs

Thus far no effort has been made by the State authorities to test this interpretation of the State motor transportation law, but the association is prepared and willing to fight any case that comes up regardless of whether the carrier arrested and brought to trial is a member of the association.

The value of truck costs was explained in a talk by Robert Work, Denver. While he did not quote many figures concerning his company's truck costs, he stressed the necessity of every warehouse and moving company knowing exactly what it cost him to operate his trucks in order that he might know exactly how much he must charge for service to assure him adequate profit. Mass information of this sort could be used, he declared, to convert some of the "two-by-four" competitors who so cut their prices that they not only lose much themselves, but cast an unfavorable reflection on the entire industry.

Following his talk, and supporting it, was one by Henry R. Harrison, of the Harrison Motors Company, Denver, outlining methods of ascertaining truck costs.

Following an address by Joseph C. Mahoney, Denver, on the Kansas City plan of estimating, the association indorsed the plan and appointed a committee to work on a similar booklet for

Colorado. In this connection was an exhibit of crates and packing materials. The crates were made up by some of the Denver members for the benefit of the smaller concerns in other parts of the State.

The value of a close analysis of the trade and distributing territory served by the merchandising warehousemen was impressed on the members by Harold E. Burch, Pueblo, in outlining what his company had accomplished by this method.

A discussion of the N. F. W. A. "Code of Ethics" followed a talk on the subject by E. G. May, Denver. All present favored it.

A report of the American Warehousemen's Association's convention at French Lick Spring, Ind., was made by E. A. H. Baker, Denver; one of the N. F. W. A. convention at Hollywood, Fla., by A. H. Amick, and one of the Missouri Warehousemen's Association convention by Mr. Freedheim and Mr. Turner.

Reports from the various parts of the State indicated that business in general was good, as four members reported their districts good, four that business was fair, and only one reported business poor. These reports gave a cross-section of the entire State.

—Willis Parker.

### Connecticut

THE Allied Van Lines, Inc., the inter-city removals agency organized by the National Furniture Warehousemen's Association, was the chief theme of discussion at the May meeting of the Connecticut Warehousemen's Association, held in New Haven on the 10th.

Leonard S. Clark, Greenwich, the president, appointed E. G. Mooney of Hartford, C. A. Moore of Bridgeport and J. N. Snow of New London a committee to prepare a schedule of rates which the Connecticut organization would recommend for long distance hauling of household goods.

### Detroit

NON-ENFORCEMENT of Detroit's city ordinance requiring furniture movers to secure municipal van licenses and to report all removals to the police department—a statute put on the books some time ago through the efforts of installment furniture companies—was discussed at the May meeting of the Detroit Furniture Warehousemen's Association, held on the 11th at the Hotel Fort Shelby.

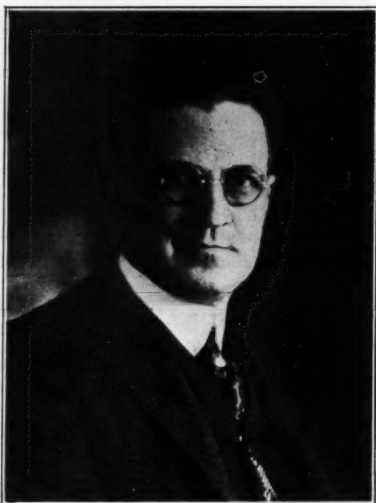
Speakers pointed out that scores of unlicensed draymen and expressmen were moving household goods without having obtained licenses and were not reporting the movements to the police.

It was decided that the association members should constitute themselves a vigilance committee to take down the numbers on vans suspected of operating illegally and to report these to the secretary. Meanwhile the problem was placed in the case of the objectionable practices committee.

Arthur A. Leonard, Detroit, said he had made a survey of advertising space used by the members in the local classified telephone directory and had found that in the moving section last year they spent \$11,862 and in the storage section \$5,890. The members felt that the results had not been commensurate with the expenditure. Mr. Leonard appointed a committee, headed by Arthur Kloetzel, to make an effort to have the telephone company accept cooperative advertising from the association.

A letter was read from the Pacific Coast Furniture Warehousemen's Association urging that Michigan's representatives in the national Congress be

### Howard Lathrop



*Chosen household goods division vice-president, Missouri Warehousemen's Association*

requested to support the Boulder Dam project. After some discussion it was decided to take no action.

—Universal Trade Press Syndicate.

### Missouri

THE Missouri Warehousemen's Association held its annual convention on April 20-21 at the Hotel Robidoux, St. Joseph. Between 80 and 85 storage executives were registered, including more than thirty from Kansas, Nebraska, Iowa, Colorado, Oklahoma and Texas, so that the meeting took on the atmosphere of the gatherings of the old Central Warehousemen's Club. The Missouri body elected officers and directors as follows:

President, John A. Groves, president Groves Storage Warehouse, Inc., Kansas City.

Vice-president household goods division, Howard Lathrop, assistant manager Lincoln Fireproof Storage Co., Kansas City.

Vice-president merchandise division, E. L. Winterman, president Tyler Warehouse Co., St. Louis.

Vice-president cold storage division,

### John A. Groves



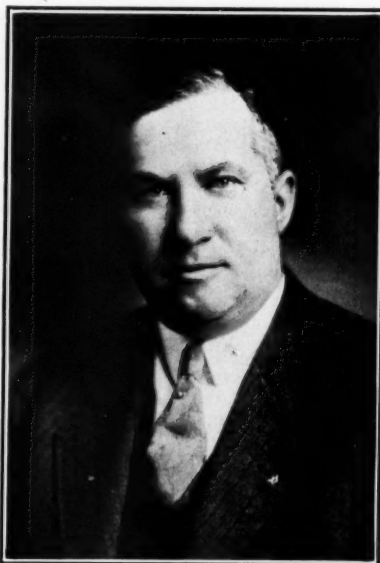
*New president of Missouri Warehousemen's Association*

Harry Herschman, president Terminal Warehouse of St. Joseph, Inc., St. Joseph. Secretary (reelected), George C. Dintelmann, secretary Ban A. Langan Fireproof Storage Co., St. Louis.

Treasurer, H. W. Orcutt, vice-president Orcutt Storage, Packing, Moving Co., St. Louis.

Directors, the officers and D. S. Adams, vice-president Adams Transfer & Storage Co., Kansas City; E. M. Hanson, president Brown Transfer & Storage Co., St. Joseph; W. Roger Hulett, secretary "23" Transfer & Storage Co., Columbia.

### Harry Herschman

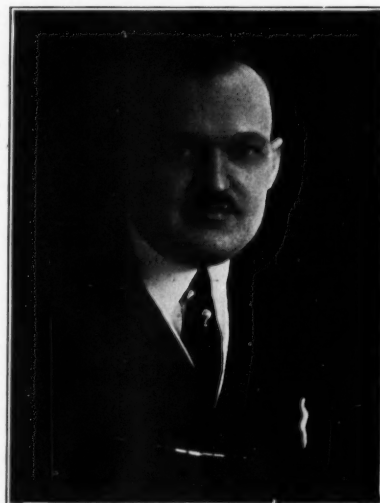


*Vice-president heading cold storage division of Missouri Warehousemen's Association*

Probably for the first time in the history of warehouse association activities the airplane was used to bring delegates to a convention. Ellis Leritz, Kansas City, and K. K. Meisenbach, presidents respectively of the Kansas City Warehousemen's Association and the Texas Warehouse & Transfermen's Association, flew north to St. Joseph, while W. A. Maynard, Cleveland, representing the White Motor Co., flew from Chicago.

Perhaps the most important subject discussed was the Allied Van Lines, Inc., the inter-city removals organization organized by the National Furniture Warehousemen's Association. Henry Reimers, Chicago, the National's executive secre-

### E. L. Winterman



*Elected merchandise division vice-president, Missouri Warehousemen's Association*

tary, outlined the plan, and virtually unanimous approval was expressed by the household goods storage executives present from seven States, including the delegates from Colorado, Oklahoma and Texas, not yet within the scope of "AVLInc," who pledged their cooperation and their desire to be included as soon as possible.

William I. Ford, Dallas, president of the National, urged that all members of the National be given an opportunity to benefit equally through the operations of the new agency.

The first general session was called to order by D. S. Adams, Kansas City, as president, and the opening address was made by Ernest Reeves, of the Associated Industries of Missouri, who discussed national and State regulation of motor truck transport, pointing out that Missouri was fortunate in having no restrictive regulation. A State law which would give the Public Service Commission the right to license movers would act as a boomerang, hurting the man it was intended to help, Mr. Reeves declared.

As chairman of the legislative com-



mittee, O. W. Thomas, Kansas City, agreed with Mr. Reeves. He declared that legislative conditions affecting warehousing were satisfactory in Missouri.

In his report as president Mr. Adams said in part:

"With proper functioning local, State and national associations, I believe the industry is in a splendid position to put itself on a sound basis and to advance itself to the high place where it belongs.

"Trade associations are not effective if they are too exclusive. Every warehouseman should be eligible to membership who is financially responsible. Differences of opinion on questions of business policy or trade practices should not disqualify a warehouseman. It is obvious that if a non-member warehouseman disagrees with us on such questions he is more likely to correct his opinion, if he is wrong, after experience as a member than if he remains outside."

The Allied Van Lines, Inc., was the main subject of discussion before the household goods division, where Ellis Leritz was in the chair as vice-president. Mr. Reimers reviewed the plans in detail and answered questions as to overhead, investment, pay loads, advertising, equipment, tariffs, commissions, etc.

Mr. Ford emphasized the interest being taken in the plan by warehousemen in all parts of the country and commented that in appointing N. F. W. A. committees he had supplemented the Central Bureau and Eastern Bureau inter-city removals committees with one representing the Central West territory not included within the present scope of "AVLInc."

Mr. Reimers explained the position of the National's long distance removals committee in not including warehousemen outside the present operating districts, saying the committee did not see where they could benefit by representation at this time. Alluding to the fact that two Texas members had been refused permission to paint their vans with "AVLInc" colors, he pointed out that inasmuch as Texas was not yet within the scope of the plan it was felt to be unfair to Texas members generally to permit a few to paint their vans now. If a group of Texas and Oklahoma members would get together and organize as had the members in the Chicago and New York districts, he said, the N. F. W. A. board would advise with them and render assistance. He would report to the National, he added, that the Texas and Oklahoma members desired to be included.

S. C. Blackburn, Kansas City, discussed the subject "Profitable Warehouse Side-Lines," mentioning carpet cleaning, chair rental, commercial fumigation and garment storage.

The work of the Better Business Bureau in St. Louis was explained in a paper by Julian M. Gibson of that city.

The extension of the Kansas City estimating plan with relation to long distance hauling was outlined by Mr. Groves and Mr. Thomas.

At this point Daniel P. Bray, Kansas City, moved for the appointment of a

## New Membership Affiliations

### American Warehousemen's Association

Allport Storage Warehouse Co., Asheville, N. C.  
Cody Transfer & Storage Co., Hutchinson, Kan.  
Evansville Warehouse Co., Evansville, Ind.  
Merchants Transfer & Storage Co., Little Rock, Ark.  
United Warehouse Co., Kansas City, Missouri.

### Minnesota Warehousemen's Association

Northwest Warehousing Co., Minneapolis.

### Southern Warehousemen's Association

Boggs-Rice Co., Bristol, Va.-Tenn.  
Robert Chadwell Transfer & Storage Co., Nashville, Tenn.  
Lentz Transfer Co., Winston-Salem, North Carolina.  
Standard Bonded Warehouse Co., Charlotte, N. C.  
B. F. Wainwright, Macon, Ga.

### Texas Warehouse & Transfermen's Association

Wool Growers Central Storage Co., San Angelo.

committee representing the seven States to work out an inter-city removals rate schedule, to be used until the Allied Van Lines, Inc., had perfected one. This motion was adopted and Mr. Thomas was appointed chairman of the committee, which will include one warehouseman from each of the seven States.

"Ways and Means of Stimulating Collections" was discussed by F. D. Speer, St. Joseph.

The cold storage division met in open forum session with Mr. Herschman presiding and discussed subjects of importance to this branch of the industry.

D. M. Harwood, Kansas City, presided at the merchandise division sessions, the two main subjects of discussion being the advisability of assessing a nominal clerical charge in connection with filling orders, and the importance of using Chicago Tariff No. 9 as worked out by the Illinois Association of Warehousemen.

Figures were presented to show that the clerical cost of writing one order was in excess of thirteen cents, this including the cost of form and carbon, clerk's time in writing the order, the time necessary for posting to stock record, and postage.

Chester B. Carruth, Chicago, actuary of the merchandise division of the American Warehousemen's Association, discussed rate making and explained Chicago Tariff No. 9, and emphasized the value of knowledge of costs.

Mr. Herschman was toastmaster at the convention banquet, the speakers including Mr. Ford. Each warehouseman was given an opportunity to speak one minute before the radio microphone, sending a message to his home town and spreading the gospel of warehousing.

—Merryl Schwind.

## Massachusetts

AT the April meeting of the Massachusetts Warehousemen's Association, held at the Exchange Club in

Boston on the 16th, Samuel G. Spear, Boston, the president, reported that he represented the association at the recent hearings before the State Department of Public Works on the proposed wharfage and dockage charges and regulations at Commonwealth Pier and other State-owned piers in Boston. He said the department still had the situation under advisement.

It was voted to accept the resignation of the Northern Avenue Stores & Dock Corporation, Boston, the company having discontinued warehousing operations, according to a letter from its president, Tarrant P. King.

—S. F. Holand.

## Minnesota

AT the eighteenth annual meeting of the Minnesota Warehousemen's Association, held at the Nicollet Hotel in Minneapolis on April 20, officers and directors were elected as follows:

President, Joseph R. Cochran, president Cameron Transfer & Storage Co., Minneapolis.

Vice-president, George Ray Turner, secretary La Belle Safety Storage Co., Minneapolis.

Secretary-treasurer, George A. Rhame, Minneapolis.

Merchandise division director, W. W. Morse, president Security Warehouse Co., Minneapolis.

Household goods division director, Oliver Skellet, president Skellet Co., Minneapolis, and president Ballard Storage & Transfer Co., St. Paul.

Cold storage division director, Frederick Bates.

Director from Duluth, R. H. Hall, president Security Storage & Van Co., Duluth.

Director-at-large, Peter S. Burghart, treasurer Colonial Warehouse Co., Minneapolis.

Paul W. Frenzel, St. Paul, in his report as retiring president, declared the membership's morale to be high, with internal problems something of the past and the association in a flourishing condition.

"It would be interesting some day to tabulate the capital and resources of the companies which make up our membership," Mr. Frenzel said. "The total would show that the warehouse industry has carved a niche for itself in the business life of the State."

Reporting as secretary, Mr. Rhame said the active membership embraced thirty-five firms and the associate membership four.

## New York F. W. A.

A SUGGESTION that the household goods storage companies which are trade organization members in New York State form a mutual insurance company was discussed at the May meeting of the New York Furniture Warehousemen's Association, held at the Aldine Club on the 14th.

Charles S. Morris, the insurance com-

mittee's chairman, stated that an insurance company which has been writing a large part of warehousemen's coverage had begun circularizing storage firms not members of the industry's trade bodies; and he believed that, inasmuch as rates are based on experience, the rate for New York warehousemen was destined to go up eventually if inexperienced companies were included within the scope of the insurance firm's activities. He urged the formation of a warehousing insurance carrier "as a slap against" the insurance firm, and he believed that a mutual company could be operated with profit to the association.

Discussion disclosed that a mutual insurance company would have to have \$50,000 in premiums at the start, with a minimum of 25,000 employees participating. There was some question as to whether this number of employees would be available, and the situation was referred back to the committee for inquiry.

As chairman of the October leasing committee, Ernest H. Milligan reported progress in the effort to have real estate, public utility and other interests agree to "stagger" leasing dates on apartments. He said the plan was meeting with general favor and that the committee purposed to arrange a conference of representatives for the various interests with a view to organizing a council similar to the one formed in Chicago.

The Allied Van Lines, Inc., the intercity removals agency organized by the National Furniture Warehousemen's Association, was discussed by Barrett C. Gilbert, the New York association's president, and Henry Reimers, Chicago, the National's executive secretary, and others, and approximately a dozen members signed either hauling or non-hauling agents' contracts, with others promising to do so. Prior to receiving these New York members' signatures, Mr. Reimers announced that approximately seventy N. F. W. A. members in the central and eastern districts had signed as agents.

William T. Bostwick, secretary, read the National's code of practice, and it was unanimously adopted. Its salient features will be incorporated in revised by-laws which the New York body is planning to adopt.

On motion by T. F. Murray as chairman of the better business methods committee, a resolution was adopted declaring it to be unethical for any member to quote rates, on either cartage or storage, other than by the van load. Another committee resolution was adopted which will limit the advertising space to be taken by members in the storage section of the local telephone "red book" at the expiration of their present contracts.

—K. B. S.

The N. Y. F. W. A. held on May 8 the first of its series of members' golf tournaments arranged by Herbert N. Bragg, chairman of the sports committee. First prize was divided by T. F. Murray and Robert M. Ferguson; second prize went to Mr. Bullard, and third to James Nickels.

## New York State

**A**NNOUNCEMENT has been made by William T. Bostwick, New York City, secretary of the New York State Warehousemen's Association, that the organization's annual convention will be held on June 22-24 at the Fort William Henry Hotel at Lake George, N. Y. Lake George lies about sixty miles north of Albany and has been called "the Switzerland of America." The 1927 meeting was held there.

The State association comprises the various local organizations in Buffalo, Rochester, central New York, and New York City.

## Port of New York

**A**N address touching on warehouse receipts and loans, its tenor unfavorable to public warehousing, by Wilbert Ward, assistant vice-president of the National City Bank, before the Association of Reserve City Bankers, in New Orleans, was quoted at length by H. E. S. Wilson, vice-president of the merchandise division of the American Warehousemen's Association, at the April meeting of the Warehousemen's Association of the Port of New York. The Ward address was published in the March issue of *The Acceptance Bulletin*, a banking journal, which in the same issue assailed editorially the value of the warehouse receipt as compared with the receipt issued by warehouses licensed under the United States Warehouse Act.

### The Attack

To the New York warehousing fraternity the importance of the criticisms—aside from the general seriousness of an attack of this kind by a banking authority—arises from the fact that Mr. Ward was a member of the joint committee of financial, distributing and warehousing interests which some months ago undertook to place warehousing and warehouse receipts and loans on a more stable and satisfactory basis. Regarding that movement Mr. Ward said in his New Orleans address:

"I trust that I will not be deemed captious or ungrateful in using the history of that committee to emphasize a point that I feel must be made. The committee was organized under the best of auspices; its series of sessions were well attended; situations of more than academic interest to merchants, warehousemen and bankers alike were discussed, and carefully considered remedies suggested.

"Six months ago its report was completed and disseminated—and it is now thoroughly forgotten, with not a single one of its recommendations carried into execution. All the evils then discussed still exist, and they will continue to exist until their abatement is made mandatory.

"It is, of course, the reputable, responsible warehouseman who suffers from such a situation, and, once the shock of the plunge is over, I would not be surprised to see them reveling in some form of State or Federal supervi-

sion which would protect them against the demoralizing competition of irresponsible warehousemen."

The association's committee cooperating with banks and The Merchants' Association was instructed to confer with the latter organization, which sponsored the New York survey.

Mr. Ward in his talk alluded to loans on products remaining in the care of the borrower and asked: "Must we move these commodities into stranger quarters?" He adds: "Neither do we better our position by requiring our customers to remove their goods to a public warehouse, if we complaisantly decide that any custodian will do, so long as he is a stranger."

After telling something about storing under the Federal Warehouse Act, Mr. Ward said:

"I refer to the vital requirements, that no receipt shall be issued until the product is actually in storage and that the product shall not be delivered from storage until the receipt is produced.

"I should judge that such close, continuous supervision of the state of your collateral by competent and disinterested persons would commend itself even to you who have the commodity close at hand.

"The announcement by the Federal Government that it has set up another bureau to formulate regulations for the conduct of still another business which has regarded itself as private and able to care for itself is seldom applauded—least of all by those who are about to be regulated. History does not record that any huzzahs were huzzahed by our warehousemen at the announcement of the passage of the Federal Warehouse Act. . . .

"I do not see why a man should store a bale of cotton anywhere except in a Federally-bonded warehouse, and certainly no sensible banker could afford to lend money on it. . . .

"It is good to know that warehousemen can undergo regulations, and like it. Whether this taste for supervision will develop into a craving, one cannot say. However, that is not so unlikely as it may sound. . . .

"Reluctant as we may be to admit it, the private warehouse was never a very satisfactory custodian, even for local borrowings, and it does not do at all as a conduit with which to tax those reservoirs of credit contained in the Reserve City Banks which you represent here today. A plea for a new conception of the business of warehousing is an appeal to the intelligent self-interest of merchant, warehouseman and bank alike."

*The Acceptance Bulletin* said editorially:

"The goal is to have every principal warehouse in the country properly licensed, supervised, examined and checked so that a banker may loan or extend credit upon such receipts with the absolute assurance that the collateral will remain protected and in the banks absolute control during the life of the loan or credit.

"The time is not far away when the warehouseman who objects to submitting his plant for a Federal license will by such objection give notice to lenders on warehouse receipts that his receipts are not the best to be had and therefore he cannot expect the business that his more progressive competitor will secure with his Federal supervision as an asset.

"From the banker's standpoint he has everything to gain by insisting upon and handling only the receipts of Federal licensed warehouse plants."

### Pacific Coast F. W. A.

A DECISION by the California Supreme Court as to the liability of a person or corporation for goods placed in its charge occupied attention at the April meeting of the central division of the Pacific Coast Furniture Warehousemen's Association, held on the 14th in Santa Rosa, Cal. With A. J. Becker, San Francisco, the division's vice-president, in the chair, J. F. Vizzard, San Francisco, secretary of the California Truck Owners' Association, summarized the decision, which was rendered on March 27 in the case of *Franklin v. Southern Pacific Co.*

In this case the plaintiff had turned over to a red-cap porter two pieces of luggage which subsequently were lost. Judgment for \$800 was awarded the plaintiff in the Superior Court, and this verdict was sustained by the State Supreme Court.

In its defense the Southern Pacific objected to the amount of the claim, on the ground that its liability was limited to \$25 per article lost. No claim was made as to the circumstances surrounding the loss. This limited liability defense was based on the tariff of the railroad company on file with the State Railroad Commission at the time of delivery of the luggage to the defendant's employee.

The Court in its decision said that, as the baggage had been turned over to the porter, an employee of the railroad and whose services were included in the fare charged, and as the baggage had been undeniably lost, the evidence showed negligence on the part of the defendant; and it was further held that the idea of a carrier or bailee limiting its liability for its own negligence by filing a tariff, or having a customer sign a release, "is repugnant and not to be entertained." The only case in which a bailee could limit its liability, the Court continued, would be where a choice of valuations and corresponding rates were submitted to the customer.

"In other words," said Mr. Vizzard, "it is not sufficient to state in the contract, or warehouse receipt, that the value is limited to \$10 per 100 pounds, unless, at the same time, additional valuation is offered and a higher price quoted. This should receive careful consideration and study from warehousemen, as it is possible, even probable, that many of the contracts now in use by them would afford no real protection if tested before the Courts."

—H. H. Dunn.

### Pacific States C. S.

AT the recent annual meeting of the Pacific States Cold Storage Warehousemen's Association, held at Del Monte, Cal., officers and executive committee members were chosen as follows:

President, Herbert C. Stone, manager Terminal Refrigerating Co., Los Angeles.  
First vice-president and treasurer, C. K. Melrose, San Francisco.

Second vice-president, J. B. Dunbar, president San Diego Ice & Cold Storage Co., San Diego.

Third vice-president, W. F. Hennington, manager Northwestern Ice & Cold Storage Co., Portland, Ore.

Executive committee, the president and M. H. Robbins, San Francisco; J. Q. Patton, secretary Security Warehouse & Cold Storage Co., San Diego, Cal.; F. B. Whipple, president National Ice & Cold Storage Co., San Francisco; Robert Ireland, Terminal Ice & Cold Storage Co., Portland, Ore.

Leon A. Bailey, San Francisco, was re-elected secretary.

Reports submitted at the meeting indicated that the association was in a prosperous condition financially, and growing steadily, with forty companies now on the membership roll.

The general business of cold storage has had a healthy development from Vancouver to San Diego during the past five years and the association has been of material assistance in creating new business, stabilizing rates and preventing unfavorable legislation.

Plans presented at the meeting cover a comprehensive program for the betterment of the organization and its individual members.

—H. H. Dunn.

### Southern

AT the spring convention of the Southern Warehousemen's Association, held at Kenilworth Inn, Asheville, N. C., on April 20-21, with storage executives attending from fifteen States, a resolution was adopted to secure bonds on all members receiving shipments of household goods, this bond to be in the amount of \$500 and to guarantee the remittance of charges to warehousemen shipping to the members.

The association approved a committee report recommending a program to call the attention of manufacturers and distributors to the advantages and security offered them in storing and distributing through products with responsible public warehouses.

The action taken with regard to bonds carried out a recommendation submitted by the executive secretary, Sydney M. Green, Jr., Nashville, Tenn. Mr. Green offered other recommendations, as a working program in the future, as follows:

Adoption of a set of arbitration rules.  
That local associations be formed in cities where there are enough members to justify such organization.

That every local association adopt uniform advertising and break up the prac-

tice of false advertising in telephone and city directories.

That local associations use their influence to discontinue yearly leases on rental property, in an effort to stagger leasing dates.

Ernest T. Chadwill, Nashville, the president, was in the chair and the delegates were welcomed by Roger Miller of the Asheville Chamber of Commerce.

Wilson V. Little, Chicago, executive secretary of the merchandise division of the American Warehousemen's Association, reviewed the division's activities and problems.

As chairman of the committee on long distance moving rates, J. L. Wilkinson, Charlotte, N. C., alluded to costs and competition in this branch of the business and it was voted to create a committee to formulate a program for eliminating unsatisfactory conditions.

### Pittsburgh

THE Pittsburgh Furniture Storage & Movers' Association, at its May meeting approved the Allied Van Lines, Inc., the inter-city removals agency organized by the National Furniture Warehousemen's Association.

Henry Reimers, Chicago, the National's executive secretary, and Martin H. Kennelly, Chicago, chairman of the National's long distance removals committee, addressed the members on the subject.

—George E. Kelly.

### Pennsylvania F. W. A.

THE Pennsylvania Furniture Warehousemen's Association elected an arbitration committee at its April meeting, held on the 10th in Philadelphia. Harvey J. Lutz, Philadelphia, was chosen chairman, and his associates are R. C. Lay, Oil City; Hugh G. Walsh, Pittsburgh; Walter E. Sweeting, Philadelphia, and John V. P. Quackenbush, Scranton. The panel of arbitrators selected is as follows:

Philadelphia district, George A. Emig, M. A. McDevitt, Richard McDevitt, H. Norris Harrison, Harvey J. Lutz, LeRoy K. Smith, John J. Hartey, Christian J. Ludwig, Buell G. Miller, William A. Whitmore, William H. Protzman, Morris Berger, Fred K. Geiger, J. P. Carson and Robert Wallace.

Outside of Philadelphia, E. W. Irwin, Erie; R. J. Robinson, Jr., Lansdowne; Hugh G. Walsh, W. L. Harmany, Joseph F. White and D. V. Murdoch, Pittsburgh; Robert J. Post and E. C. Fordham, Scranton, and J. E. Kremer, Wayne.

### Pennsylvania State W. A.

BUSINESS and pleasure combined to make the spring meeting of the Pennsylvania State Warehousemen's Association, in the board room of the Port of Philadelphia Ocean Traffic Bureau on April 26, an outstanding occasion. Philip Godley, Philadelphia, president, had arranged with Richard Weglein, Director of Wharves, Docks and Ferries, of the



city government, and George W. Edmonds, manager of the Port of Philadelphia Ocean Traffic Bureau, for a trip of inspection of the marine facilities of the port, including piers, warehouses and industries, as well as of the Philadelphia Navy Yard and Hog Island, aboard a municipal tugboat. This trip was taken by twenty-five members and guests. The party was guided by Mr. Edmonds and representatives of Director Weglein's department. Especially were the warehousemen from the interior of the State impressed by Philadelphia's great open gateway to the sea, holding, as Mr. Godley explained, the most exceptional facilities for the quick and economical handling of commerce. They expressed amazement at the series of \$40,000,000 municipal piers, with their system of loading from pier to vessel direct, and stops were made there and at the Tidewater Terminal, the party being conducted through the warehouses.

At the business session the chief topics of discussion included the Federal Warehouse Act; compensation insurance under the employers' liability law; the request of the Department of Commerce for confidential monthly reports from the warehousemen as to tonnage handled in and out and space occupancy; hand-to-mouth distribution by warehouses; and an article, accompanied by editorial comment, in *The Acceptance Bulletin*, which were deemed offensive to the warehousing industry because of strongly indorsing the Federal Warehouse Act and slurring the private warehouse as a custodian for borrowings.

The discussion of the status of the Federal Warehouse Act showed a growing sentiment that its constitutionality should be tested on the ground that apparently it held out great peril to the warehousing industry. It was regarded as not unlikely that such a step would be taken, especially as it was deemed improbable that the demands by the new special committee of the American Warehousemen's Association handling the matter—that there should be no further extension of the Act without opportunity being given the A. W. A. to be heard—would be granted.

With regard to compensation insurance, a motion was carried to appoint a committee to make an effort toward securing a reduction of rates.

As to the Commerce Department's request for monthly reports from the warehousemen, the discussion among the members evidenced a most friendly feeling toward Secretary Hoover's constructive efforts for the warehousing industry; and it was considered that it should be productive of benefits to submit such reports to the Department.

A motion was carried to have the association's secretary collect facts with regard to the apparent plan for the article and editorial in *The Acceptance Bulletin* to be given wider circulation through reproduction in a bankers' magazine, and to pass this information on to the A. W. A. with the suggestion that the attention of the committee on banks and banking be called thereto, with the thought that the article be not republished.

In his report as president Mr. Godley said in part:

"A question in which this association has for two years felt great interest is that of the Federal Warehouse Act, the status of which at the present writing is briefly as follows, the handling having recently been undertaken by the American Warehousemen's Association:

"As was reported to the January, 1928, A. W. A. annual meeting, the Secretary of Agriculture declined to grant any redress in his administration of the Act, so a resolution was adopted empowering the executive committee to go into the court to test the constitutionality of the Act; but, one unfortunate word having slipped into the resolution, the minority interests chose to construe it so as to permit an alternative method of procedure.

"Under that construction, the executive committee voted 7 to 2 that they would not authorize engagement of coun-

### N. F. W. A. to Meet at French Lick

AT a meeting in Chicago on May 21 attended by William I. Ford, Dallas, and other officers of the National Furniture Warehousemen's Association it was decided to hold this year's semi-annual convention at the French Lick Springs Hotel, French Lick, Ind., on July 13-17. French Lick is where the American Warehousemen's Association assembled last January.

This will be the third time since the National was formed in 1920 that it has not staged its summer meeting at Mackinac Island, Mich.

sel, nor the expenditure of funds, to test constitutionality of the Act, which resulted in some rather pungent criticism, and later on the committee held an all-day session in Philadelphia and reversed its vote to the extent that a new special committee was authorized to call on the Department and demand 'assurance that future administration of the Act would be conducted in a manner not injurious to the warehouse industry, and due recognition given to the superiority of the warehouse receipts issued by responsible warehouses as against those issued by corporations, firms or individuals with limited financial responsibility, whether licensed under the Federal Act or not, and a policy adopted by the Department to refuse to license warehouses where the warehouse company is a subsidiary, either in fact or form, of the depositor; and further reassurance given that there shall be no further extension of the Act without opportunity being given the A. W. A. to be heard.'

"In the event that these demands are refused, then the special committee is empowered to engage counsel to test constitutionality of the Act."

With regard to the Department of Commerce, Mr. Godley said:

"The Department is engaged in what is thought to be a constructive effort for our industry, asking for monthly reports (confidential as to companies reporting) of tonnage handled in and out, and space occupied, rented or vacant.

"This would seem to be in line with other statistical collections of information, and if generally participated in will no doubt be of interest and value to our industry.

"It is one of those new undertakings which do not immediately impress their value on all, hence many are slow to be attracted, or merely intend to be conservative, or when business is not at the peak of prosperity do not wish to increase expenses to any degree.

### State Bond and License

"The question of State bond and license for warehouses every now and then is agitated by writers in magazines or periodicals, and once was given some consideration by this association. I have no desire to make a recommendation on this subject, but think it should not be overlooked, and therefore make reference to it, with the suggestion that unless there can be incorporated in any such legislation that 'public necessity' be established for additional warehouse facilities, the authorized commission shall refuse applications.

"The question of new terminal warehouses, particularly as described by H. A. Haring through the columns of *Distribution and Warehousing*, is a subject of interest to all in our industry, and may become of deep interest to capital investors and bankers, and it is being looked into with a quest for definite information by that dean of statisticians, C. B. Carruth. It is hoped that the questionnaire sent out by him will be generally responded to, for I am confident that, being given the figures, he will be able to present facts and statistics that will be most helpful to many interests in this as well as in all the States.

"That the speeding up by our rail carriers in the prompt deliveries of freights has had its great influence in encouraging reduced but more frequent purchasing of commodities by distributors, there can be no doubt.

"Says a writer on warehouse economics:

"The Distribution Warehouse is a result of these factors."

"The storage warehouse is passing."

"Is the student of transportation and warehousing (not a practical operating warehouseman) better able to visualize the principle of changing economics, than we, who may be up against a thousand problems in our daily experiences?

"Every publication relating to our industry should be on our desks, or on our library tables at home, that we may study and digest every problem as it arises."

On the subject of hand-to-mouth distribution by warehouses, it was brought out in the discussion that spot stock in warehouses has been reduced by about 40 per cent and the loss replaced by in-

crease in distributing requirements from time to time; that concerns are now storing that never did before and that it is necessary to have stocks on hand in order to compete in the markets today; also, that it is now recognized that the more intensively the warehousemen uses his space, the greater are his returns. It was also brought out that it is wise to obtain a profitable labor rate, as property value will take care of itself, especially as rapid movement of stock means additional labor.

—K. H. Lansing.

#### Correction

An error occurred in the advertisement of the Currier-Lee Warehouse Co., Chicago, on page 105 of the May issue of *Distribution and Warehousing*. Part of the text read "The History of the Currier-Lee Warehouse Company since 1924," etc. The date should have been set down as 1914, the date when the firm was established.

The one existing reference volume of its kind—the annual Warehouse Directory. Use it when making shipments.

### Murray Again President of Distribution & Warehousing

AT the annual meeting of the stockholders of Distribution and Warehousing Publications, Inc., in New York on May 11 the following directors were reelected:

A. C. Pearson, chairman of the board of the United Publishers Corporation, of which the warehousing corporation is a subsidiary.

Fritz Frank, president of the United Publishers Corporation.

Andrew K. Murray, president of the warehousing corporation.

Kent B. Stiles, vice-president of the warehousing corporation.

E. P. Beebe, treasurer of the warehousing corporation, and H. S. Webster, Jr., who has been the warehousing corporation's assistant secretary and treasurer,

were added to the directorate. A seventh director is to be chosen later.

The directors elected officers as follows:

Andrew K. Murray, business manager of *Distribution and Warehousing*, was reelected president.

Kent B. Stiles, editor of *Distribution and Warehousing*, was reelected vice-president.

E. P. Beebe was reelected treasurer.

H. S. Webster, Jr., was elected secretary to succeed H. J. Redfield, resigned.

F. T. Loudonbeck was elected assistant secretary and treasurer, succeeding Mr. Webster in that position.

### Haskelite Has New Offices

The Haskelite Manufacturing Corporation, manufacturers of the structural plywoods, "Haskelite" and "Plymetl," have removed to larger quarters, at 120 South La Salle Street, Chicago. This is the State Bank Building. The offices were formerly at 133 West Washington Street, Chicago.

## G. Santi & Co., New York, Erect a New Warehouse and Convert Old Building Into Fireproof Structure

THE household goods warehouse firm of G. Santi & Co., New York City, has completed alteration and has constructed an addition to its plant at 812 East 170th Street, in the Bronx section.

The walls of the old structure have been extended up another story, the former roof now being used as the sixth floor. Non-fireproof doors have been replaced with steel and concrete doors of fireproof construction, and an out-of-date elevator has been removed.

The addition, illustrated herewith, is immediately adjacent to and connected with the old building. It is 25 feet wide and 104 feet deep, making the entire plant 47 feet 6 inches by 130 feet 3 inches. The new portion is seven stories high, including the basement, the height matching that of the extended older structure. Alteration and addition give the company 46,400 square feet of fireproof construction.

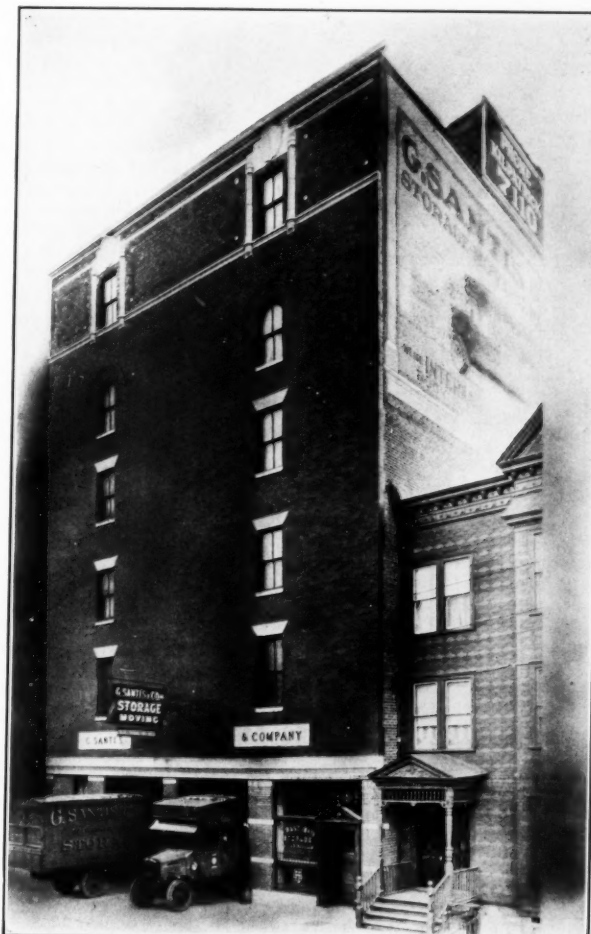
A modern freight elevator large enough to accommodate passenger automobiles has been installed in the addition, the shaft being of fireproof construction and the door openings being protected by counter-balanced doors. The stairs are steel-enclosed with fireproof partitions and corrugated iron fire doors, and extend from the office to the roof.

### Attractive Office

Most of the basement is devoted to open storage. The office, on the first floor, comprises a waiting room, office space for clerks, and a mezzanine that is used as a private office. The ceilings are finished with decorative plaster and the walls with Caen stone plaster and Italian marble wainscoting. There is a counter with a marble front and top and under it are located filing cabinets for business papers. The floor of the waiting room is of terrazzo laid out in a pleasing design, while that of the clerks' space is of composition cork. Ornamental electrical fixtures, matching the office decorations, hang from the ceiling.

Open storage and individual rooms variously occupy the balance of the first floor and the upper floors, with half of the second story used for pianos stored in uniform temperature.

Alteration and construction were carried out under the supervision of Moores & Dunford, Inc., New York City architects.



## Hoeveler Heads Company to Operate Warehousing in Paris

SOMETHING new in warehousing—a packing and shipping company operated in a foreign city with storage executives in the United States as officers and directors—has been inaugurated by James H. Hoeveler, president of the Hoeveler Warehouse Co., Pittsburgh, who sailed from New York on May 10 on the French Line steamship *De Grasse* for Paris to join Charles D. Morgan, superintendent of Morgan & Brother, household goods warehousemen in New York.

The Franco-American Storage & Packing Co. has been incorporated in Paris, under the laws of France, to engage in packing and shipping goods to America—both household furniture and



James H. Hoeveler, Pittsburgh warehouseman who heads the recently-organized Franco-American Storage & Packing Co., Paris

general merchandise. As a start it is planned to purchase a French packing concern, and eventually a warehouse will be erected in Paris. The company will apply for membership in the National Furniture Warehousemen's Association.

Mr. Hoeveler is president of the American-operated firm in Paris, and Mr. Morgan, who sailed on May 5 for Paris, is secretary and treasurer. Fred L. Harner, president of the Fidelity-20th Century Storage Warehouse Co., Inc., Philadelphia, is first vice-president, and Joseph H. Meyer, president of the Federal Fire Proof Storage Co., Chicago, is second vice-president. The names of the directors are to be made public later.

Identified with the movement, in addition to the foregoing, are the following executives:

Van Wyck Mott, secretary of the United States Storage Co., Inc., Washington, D. C.

George A. Rutherford, president of the Lincoln Storage Co., Cleveland.

Elmer S. Dye, president of the Dye Fireproof Warehouse, Inc., Buffalo.

P. J. Mills, president of the White Line Transfer & Storage Co., Des Moines, Iowa.

All the men mentioned are understood to be interested financially in backing the plan. It is the intention of the organizers to have representatives eventually in twenty cities in the United States.

On the day prior to his departure Mr. Hoeveler was host to a group of warehouse executives in his apartment in the Pennsylvania Hotel in New York. They presented him with a deck clock. Mr. Hoeveler was accompanied to Paris by Mrs. Hoeveler and their five children.

## Stokell Is Organizing a N. Y. Cold Storage Chapter

AS announced recently in *Distribution and Warehousing*, Ralph C. Stokell has been made general manager of the National Cold Storage Co., Inc., operating warehouses in New York, Brooklyn and Jersey City, and following his contact with the industry in the metropolis he has been made chairman of a committee to organize a New York chapter of the cold storage division of the American Warehousemen's Association, in pursuance of the by-laws of the division.

It is expected that the chapter will be helpful for the local houses in creating a central meeting ground where discussions may be had on subjects of interest mutually with warehousing and the trade organizations with which warehousing is constantly in contact.

Mr. Stokell obtained his early training in the cold storage field in a packing organization in Boston. For the next eleven years following that connection he was with the Boston Terminal Refrigerating Co., which is a subsidiary of the Quincy Market Cold Storage & Warehouse Co., Boston.

In 1922 he went to Chicago, where he organized and maintained a credit and accounting bureau created through cooperation by leading cold storage warehouse interests in that city. This work gained him such wide prominence that the American Warehousemen's Association's cold storage division, undertaking to broaden its scope of activity and service to the industry, selected him as executive secretary, in 1924.

Mr. Stokell's efforts in the interest of the industry were so greatly appreciated by the association that upon his resignation as executive secretary early this year he was elected as treasurer of the division, a position which automatically placed him on the association's general board of directory.

Through his wide contact while serving as the division's executive secretary Mr. Stokell made many friendships in all branches of the industry.

Mr. Stokell was executive secretary also of the American Institute of Refrigeration, a position which he has had to give up because of his new duties.

## Bus Regulation Bill Is Pigeonholed Until December

Distribution and Warehousing's  
Washington Bureau,  
1163 National Press Building

THE Parker bus regulation bill was relegated to the files of the Interstate and Foreign Commerce Committee of the House of Representatives, without even being reported by the committee, on May 15.

This decision by the committee not to act on the measure during the first session of the Seventieth Congress came as a surprise, as apparently, after trucks were eliminated from the bill, an agreement had been reached by the Interstate Commerce Commission, bus operators, steam and electric railways, and State public utilities commissions, all of which had approved the measure introduced by Representative James S. Parker, of Salem, N. Y., chairman of the committee.

The trouble started in the sub-committee of the Committee on Interstate and Foreign Commerce, appointed to redraft the bill to remove certain technical faults. It was not contemplated that the sub-committee would alter the general principles of the bill.

Some of the members of the sub-committee, however, apparently decided that it would be bad policy to pass such a bill in a Presidential election year. Any measure which might tend to create a monopoly is dangerous in a Presidential year. Under the Parker bill, certificates of convenience and necessity would be granted to some bus lines, and denied to others. This might bring charges that Congress had sponsored a monopoly.

In accordance with this idea, the sub-committee set about drafting a bill which would simply require all buses operating in interstate commerce to give good and sufficient bond to insure passengers and other persons against injury or death resulting from the negligence of the bus operator.

This would have thrown out the requirement for a certificate of convenience and necessity, which was the chief desire of the public utility commissions, the steam and electric railways which compete with the bus lines, and which are regulated. It would have provided for no fare or route regulation at all.

Eventually, it is reported, the secret session of the sub-committee decided to report a bill merely providing for bonding the bus lines. Then they could not agree on the kind of bond. They took their troubles to the full committee, and there it was decided to have the bill pigeonholed for the rest of the session.

It is expected that the committee will report the bill favorably to the House of Representatives soon after the second session of the Seventieth Congress convenes, in December. Probably no more hearings will be held, and there is little likelihood that trucks will be included when the bill is reported.

The plan of those who would like to see trucks regulated also is to wait until after the bus regulation system has been in operation long enough to see how it works out.

—Ruby A. Black.



## Old Family Album Unfolds Career of Elmer Johnston

(Concluded from page 26)

Then competition arising between the old established Canadian Pacific and the infant Canadian National gave him a golden opportunity to branch out into business for himself.

The Canadian Pacific, operating under Government grant of many years' standing, had the warehouse district in Vancouver virtually "sewed up." The Canadian National was a newcomer in town and its depot was perforce built far in the outskirts. A cartage company, therefore, had to be the connecting link, and Mr. Johnston was given the appointment of handling the transportation of all freight shipped over the Canadian National line into Vancouver. Today he owns two warehouses of his own but his main office still is in the Canadian National freight building—now located in the very heart of the city.

Mr. Johnston began his career as a warehouseman without a cent of capital and in the days when a man's life had little value. In the entire city he had only two friends—one in the real estate business and one connected with a hotel. Vancouver had been overbuilt during one of the periodical booms peculiar to the West, and this had led him to believe that a storage business might be a paying enterprise, with families moving out of palatial homes they could not longer afford to maintain.

### Building on Promises

His first building was bought largely on promises, the idea being in those times that one way to make good was to take desperate chances—making promises that *had* to be kept and so on. During the period of depression that followed the boom the Johnston enterprise experienced many a shaky day, but it managed to weather the storm. Its object was primarily storage and it was incorporated as a storage concern, but it was not long before Mr. Johnston discovered that it would be necessary to branch out into cartage, as the storage and cartage businesses interlock on the west coast more closely perhaps than in any other part of the Dominion.

Mr. Johnston's inherent love of horses stood him in good stead in the early days, for it helped him to get the most out of his slender investment. Also it aided him to establish a reputation as one of the "big time" companies when a Vancouver newspaper became involved in financial difficulties and was saved from obliteration only by the efforts of the Johnston firm, which managed to move the paper's entire outfit, presses, linotype machines, safes, records and files during a single night to a new location where the faltering publication was able to avoid the sheriff long enough to get a new lease on life.

Up to that time nobody had believed that Mr. Johnston possessed the equip-

ment to enable him to handle big assignments, but when a newspaper building was stripped between 4 p. m. on a Saturday and 2 a. m. Sunday local business men began "to sit up and take notice."

Once established and "over the hump" the Johnston Storage Co., Ltd., moved steadily on to success. As time went on a second and larger building was purchased and the firm now operated two warehouses separate from the Canadian National activities. In February of 1926 the horses that had been used up to that time were replaced with a fleet of twenty-two motor trucks, a group of which has been made famous by having their pictures widely distributed as a calendar for the Goodyear Rubber Co.—the occasion being the moving of the largest shipment of rubber heels ever sent to an individual firm in Canada.

It's a great business—but would he do it all over again, creating capital as he went along and all that sort of thing?

In answer to this question Mr. Johnston smiles, hesitates, and then declares that—

"Making wild promises is not good business. It's too nerve-wracking. Taking desperate chances wrecks a man's health. A man should save himself and his nerves even at the risk of making slower progress."

No, he wouldn't advise anybody else to do it but, if he had to do it all over again, he'd do it himself. Of course he would. It's human nature to admire a winner and, if you are determined not to lose it's pretty hard to beat you.

Mr. Johnston believes in the value of trade organization activities. At the recent annual meeting of the General Cartage & Storage Association of British Columbia he was reelected president, and he is a member of the Canadian Storage & Transfermen's Association.

### New Kansas City Firm

The Service Warehouse Co. has been organized in Kansas City, Mo., by the American Tobacco Company of New York to engage in a general merchandise warehouse business as well as the distribution of the tobacco corporation's products. The firm opened business on May 1 in a converted four-story building, containing 125,000 square feet of floor space, at St. John Avenue and Beacon Street. This structure, fireproof and equipped with automatic sprinklers, was built by the Maxwell Motor Co. as an assembly plant.

B. Z. Harty, formerly connected with the Coe Terminal Warehouse, Detroit, is vice-president and general manager of the new company and is in charge of the enterprise. The president, A. C. Mower of New York, and vice-president of the American Tobacco Co., is president, and T. T. Harkrader, another tobacco company executive, is vice-president. C. F. Neiley is treasurer and J. R. Cummings is secretary. The firm is incorporated under the laws of Missouri.

## Dallas Plans Ordinance to Label Cold Storage Goods

THE cold storage warehousemen in Dallas, Tex., have been in a spirited controversy with the city health officer, Dr. M. M. Carrick, over clauses of a proposed municipal ordinance which he has prepared and which may be offered for passage in June.

As originally drafted by Dr. Carrick the text provided for labeling goods placed in Dallas cold storage warehouses, the labels to bear the dates, the articles were placed in storage and the ordinance preventing sale of such goods after they had been in storage eleven months. The ordinance provided also payment by the warehousemen of fees ranging from \$50 to \$100 a year for operation.

C. L. Moss, secretary and treasurer of the Pure Ice & Cold Storage Co., protested, on behalf of the warehousemen, against the "air tight" provisions with regard to labeling. He told Dr. Carrick that they did not object to labeling goods which were for local consumption only but urged that serial numbers instead of dates be allowed on articles which would be sold outside the city.

The health officer agreed on this point but brought up the question "How can we tell what will be sold locally?"—which is yet to be settled.

Mr. Moss told the city officials that the local warehousemen desired to cooperate to the fullest extent in safeguarding health and would like the ordinance drawn so that it would assist the warehouseman to combat "illegitimate" operators and dealers and any other irresponsible persons putting a blot on warehousing.

It was indicated that local warehousemen would resort to the Courts if the city enacted an ordinance harmful to their business.

### Would Rival Bush Terminal

Representatives of the Victory Terminal Co., Boston, testifying on April 4 in Washington before the House Naval Affairs Committee in behalf of a bill to give a 25-year lease of the Squantum, Mass., war-time destroyer plant, stated that, if granted the lease, the company purposed to build a number of warehouses rivaling those of the Bush Terminal Co., New York.

The Squantum property consists of 730 acres, 140 of which are now used as a naval station field. The destroyer plant alone cost the Government \$13,000,000.

Under the terms of the bill the Navy Department would be allowed to lease the property at a rate to be fixed subsequently.

### Cuppert Joins Indiana Truck

O. Ray Cuppet has been appointed Ohio district sales manager for the Ohio territory. He had formerly served as district sales manager for the Ruggles Motor Truck Co. and the Republic Motor Truck Co.

## Features of Convention of National Commerce Chamber

WHAT American business needs and is going to have is "a new technique of distribution based on closer and more satisfactory relations between distributors" and with "planned" distribution on the foundation of definite market facts, William Candler told the Chamber of Commerce of the United States at the general session of the Chamber's annual convention in Washington in May.

Reporting to the Chamber on behalf of the organization's Domestic Distribution Department, and with "What Teamwork Means to Domestic Distribution" as his theme, Mr. Candler pointed out that the Department had participated in "a great pioneer effort toward uncovering the facts concerning distribution"—the experimental census of distribution which the Bureau of the Census made in eleven cities last year.

"It was door-to-door enumeration of 93,000 retail stores and 17,000 wholesale establishments," he continued. "As a result we have the most accurate picture of retail and wholesale business in history, covering forty-five different kinds of business and eighty different classes of commodities. The complete report of this census will be the most valuable and illuminating document of its kind ever published.

"There is now a proposal before Congress for a national census of distribution. If this is adopted we shall have what we have long needed—an accurate picture which will serve as a guide for effective distribution."

At the group session of the Domestic Distribution Department the delegates instructed the department to "study and report upon means for establishing more satisfactory relations and a closer comprehension of the mutual problems between chain stores and the national Chamber.

### Resolutions

At its general session the national Chamber adopted a series of resolutions which express the viewpoint of American business toward various national problems. One of these memorials alludes to the distribution census, declaring:

"There has now been a demonstration, through the limited censuses of the factors of distribution which have been taken by the Department of Commerce, of the desirability that the legislation for the next decennial census should provide for a nation-wide census of the factors of distribution as a part of the decennial census. The facts made available through such a census of distribution will be of value to every branch of industry and commerce."

Another resolution declared it to be "essential that our Government should scrupulously refrain from entering any of the fields of transportation, communication, industry, and commerce, or any phase of business, when it can be successfully undertaken and conducted in the public interest by private enterprise." This memorial added that "any tendency

of Government to enter such fields should be carefully weighed in the light of its possible effect upon the very genius of our institutions."

The Chamber pledged itself in support of the Federal Courts, deploring any efforts to "obtain the adoption of legislation which tends to minimize the power or diminish the jurisdiction" of those Courts. It urged the reduction of the corporation income tax to not more than 10 per cent, the elimination of the war excise taxes on particular business, and the repeal of the estate tax, and asked for improvement of Federal tax laws and their administration, and advocated removal of inheritance taxation. It reiterated its opposition to Government ownership and operation of merchant marine ships and urged that they be placed in responsible private hands, and also reiterated its opposition to the entry of the Government into the marine insurance business.

The Chamber suggested that the National Defense Act be so amended as to permit the Secretary of War to place with industries orders of an educational character for equipments, munitions and accessories, "in order that industrial enterprises may in times of peace become familiar with munitions manufacture and be prepared to do its part in war productions." It advocated legal sanction to collective buying of raw materials which, essential to the country's welfare, have come under the domination of foreign monopolies, such buying to have adequate safeguards to prevent price or supply control in the domestic market.

Declaring that rapid industrial development had resulted in productive capacity, in some branches of industry, in excess of current requirements, one resolution adopted said that each field of industry should, in order to develop along sound lines, "have knowledge of the true costs of production and distribution based upon uniform cost accounting" and should collect and distribute to its members and the public, through its trade associations, reliable data as to orders, shipments, stocks and other facts essential for an understanding of its industrial situation. This memorial added:

"Commercial organizations and other agencies interested in promoting new industries for their communities should always obtain and consider such current economic facts before encouraging development of additional capacity for production in any field of industry."

The Chamber urged appropriate appropriations for the Geological Survey and the Bureau of Mines to finance discovery of hidden minerals. It urged the States, in enacting legislation dealing with aviation, to conform their regulations with those of the Government for interstate regulation. It held that the present postal rates were harmful to business and advocated relief legislation. It held unification of ocean bills of lading to be of great importance and urged Congress to legislate to enact The Hague rules in suitable form to be applicable to American conditions.

(Concluded on page 54)

## Solid Carbon Dioxide as a Commercial Refrigerant

THE possibilities of the use of solid carbon dioxide as a commercial refrigerant in cold storage rooms and elsewhere are discussed in a press release from the United States Department of Agriculture, which points out that under certain conditions the resulting gas may be "distinctly harmful to fresh fruits and vegetables." The statement reads:

"Solid carbon dioxide, which has a Fahrenheit temperature of 109 degrees to 114 degrees below zero, has long been known as a scientific curiosity, but as a result of better and cheaper methods of manufacturing it has recently received much attention as a possible commercial refrigerant for railway cars, cold storage rooms and ship holds. A great deal has been published in the popular press to the effect that it is capable of working wonders in all lines of refrigeration.

### Overseas Losses

"Its great cooling power and its freedom from drip are interesting and attractive features, but the fact seems to be overlooked, says Dr. Charles Brooks of the Bureau of Plant Industry, United States Department of Agriculture, that the carbon dioxide gas given off by the new refrigerant may under certain conditions be distinctly harmful to fresh fruits and vegetables.

"When removed from the parent plant or dug from the ground," says Dr. Brooks, "fruits and vegetables are still alive and remain alive during shipment and storage and as long as the fresh product is in a marketable condition. Like other living material, either plant or animal, they are carrying on respiration, taking up oxygen and giving off carbon dioxide, and they cannot stand great and prolonged changes in the oxygen or carbon dioxide content of the surrounding air. It has been well established in botanical literature that continued exposure of peaches, pears, apples, strawberries or cranberries to high percentages of carbon dioxide will result in the development of objectionable flavors, and it has been shown that certain storage troubles of apples and potatoes are the result of an accumulation of carbon dioxide and the displacement of oxygen. Heavy losses in overseas shipments of apples and pears have been found to be caused by an excessive accumulation of carbon dioxide in the hold of the ship.

"With these facts in mind it is evident that the use of the new refrigerant cannot be considered as merely a problem in physics and refrigeration, but in so far as the shipment of living material is concerned, is largely a question of the tolerance of the particular fruit or vegetable to the accumulation of carbon dioxide in the storage air. This tolerance varies with the variety and maturity of the product, and our present knowledge of the subject is far too meager to serve as a basis for commercial procedure. Under such conditions indiscriminate popularizing of the new refrigerant is untimely and may have dangerous possibilities."

## Life of Thomas A. Jackson in Old Family Album Sketch

(Concluded from page 27)

There is a comedy card, too, that Mr. Jackson is fond of distributing among his friends. This bears not a single printed word. To the left there is a black Tom-cat with his back arched for a serenade on some nocturnal fence. In the center is pictured a well known beast of burden—the burdens including long ears and a stubborn disposition. At the right is a golden sun smiling broadly on a benign world before slipping away into the twilight. Could Tom Jack Sun be symbolized more plainly?

Mr. Jackson is one of warehousing's most picturesque pioneers. It is said that he started in the express business when he was four years old. At that tender age he contracted scarlet fever and his family gave him a little red express wagon as a bribe for taking medicine. While convalescing he exercised a bit of the tyranny that has long been the prerogative of idolized younger brothers to make his two sisters haul him around in the new vehicle. While riding in this fashion one day he fell out and broke an arm and on that occasion he was given ten cents to buy candy for nothing more than taking chloroform and going to sleep.

By the time he was well enough to have spent nine of the ten cents young Tom had heard that banks were places where they changed money, so he hid him to a counting house operated by his cousin and asked to have his penny changed for a nickel to buy a pop-gun.

Thus began the financial career that was eventually to lead to the presidency of a firm which operates one of the largest warehousing establishments in the country.

Born in Streator, Ill., Mr. Jackson at the age of fifteen migrated to Chicago, driving a team of horses and wearing his father's big buffalo coat. Entering the city he was sorry for the horses because he thought the cobblestones hurt their feet, so he drove along Washington Boulevard—only to be chased by a policeman who sent him scurrying to Randolph Street.

### \$11 a Week

Later on, while seeing the sights of the city, he dropped into a Methodist church, as his father belonged to that denomination, and here he got into conversation with a man who had "a nice little express business," and eventually he bought him out. In turn young Jackson sold the business to an uncle who owned a livery stable and for whom he later worked. The purchase price was \$47 and, in lieu of cash, the younger man accepted the elder's note.

The lad's salary at first was \$11 a week. This was raised to \$12, and at the end of five years and seven days he had saved \$1,037—and he was not yet twenty-one.

Only once during that period was he paid for "overtime," and on that occasion he made \$2. His routine was to

rise early and feed the horses at 7 a. m.—before eating his own breakfast. This meal consisted of hot cakes which cost 3 cents, milk costing 3 cents, and syrup and butter 1 cent each. Luncheon cost 8 cents a day—with a piece of pie 3 cents extra on gala occasions when there had been an extra trunk.

When he was twenty-one the youthful financier came into a small amount of money left him by his grandmother. This, together with his savings, enabled him to buy back into his uncle's business to the extent of \$4,000. The livery stable activities had been discontinued by then and the establishment was devoted entirely to the handling of express.

### Incorporated in 1903

As time went on Mr. Jackson became the sole owner, and in 1903 he incorporated his own company and acquired his first warehouse building—a two-story non-fireproof structure which he built and which he sold only a few years ago to make way for a modern garage.

The Jackson Storage & Van Co. now runs more moving equipment than any other warehouse firm in the United States with the possible exception of the Bekins interests on the Pacific Coast. The Chicago concern has sixty-five outfits. A large percentage of these are horse-drawn, about half are motor trucks, and there are four large electrics. Mr. Jackson is fond of horses and is particular that his are well groomed and well cared for.

The company operates seven large buildings in Chicago, Maywood, Oak Park and La Grange. The rebuilt one on West Twenty-Second Street, Chicago, was described in the April issue of *Distribution and Warehousing*.

Mr. Jackson, still in his prime, keeps in close touch with all of his houses. So active is he in their management, in fact, that visitors calling to keep an appointment while the early morning sun is streaming through the stained glass windows into the marble facade of his main office find him at the telephone switchboard with a gadget over his head, the better to hear a suburban call.

Not only is he active in a business way. Besides being vice-president of the Prairie State Bank, Oak Park, and a director of the Garfield State Bank, Chicago, he finds time to belong to the Oak Park Club, the Union League Club, various Masonic and Shrine orders, the Mid-West Athletic Club, and the Lions, the Kiwanis and Rotary. He has served as president of both the Illinois Furniture Warehousemen's Association and the Movers' Association of Chicago and has been a member of the executive board of the American Warehousemen's Association. In his "spare" time he likes to dance a lot and golf a little.

One of his hobbies is the training of the men who work under him. His policy is to favor young men, carefully chosen, and keep them in the business. Alfred E. Brown, who started in at twelve years old working after school for 25 cents a night, now is manager of the West Twenty-Second Street warehouse. Clarence A. Willard, secretary



of the company, started in twenty-seven years ago as a wagon helper at \$9 a week. Austin R. Campbell, the firm's treasurer, began on the loading platform twenty-three years ago, also at \$9 a week.

Boys on the wagons are trained to make a good impression with potential customers, and one of these former drivers now is vice-president of the Guardian National Bank.

It is a rule with the company that men must begin at the bottom and work up, experienced men from other firms being seldom employed. Any employee is allowed to buy stock in the company on payments of \$1 a week, and 60 per cent of them have taken advantage of this opportunity.

### Success Maxims

Idol and shining example of so many younger men, Mr. Jackson was asked to outline his rules for success. Here they are, simple and yet a whole decalog in themselves:

Always make your word as good as your bond.

Whatever you do, do it cheerfully.

Always keep good company or don't keep any. A man is judged by the company he keeps and a company is judged by the man it keeps.

The way the twig is bent, the tree inclines. A child should be taught principle from the time it leaves the cradle.

Never put off until tomorrow what you can do today. This is a rule you cannot afford to overlook.

It is your best friend who tells you your faults—others do not care.

Save today and have tomorrow. Nothing is cheap, no matter what the price, if you don't need it.

When in doubt, choose the safe side and proceed with caution.

### Western Cold Storage Starts Plant

The Western Cold Storage Co., Wenatchee, Wash., has begun construction of a \$500,000 cold storage warehouse which is to be one of the largest fruit storage and packing plants in the world. It will have capacity for 1000 cars of apples.

The company is headed by William C. Brown, son of Dr. Edwin Brown, who recently ran for mayor of Seattle.

### Must Report Removals

A city ordinance recently went into effect in Salisbury, N. C., requiring all transfermen and draymen to report to the chief of police the names and destinations of all patrons for whom they haul household goods or office fixtures. A \$10 penalty is provided for failure to report such moves within twenty-four hours.



## Features of Convention of National Commerce Chamber

(Concluded from page 52)

Arbitration, a live subject before warehousing, was touched on in another resolution, which declared that—

"The availability of arbitration inspires confidence that honest differences of opinion can be quickly and economically resolved in accordance with the facts. In aiding the use of arbitration in the fields of commerce, both national trade associations and local commercial organizations therefore have opportunities of the highest order and in keeping with the purposes for which they exist.

"Agreements to arbitrate questions growing out of transactions of which the agreements are a part will always have their main support from business men, but they should likewise have the support of the Courts in order that no one may evade the business obligations he has undertaken."

Every State of commercial importance should have arbitration legislation, the resolution concluded.

Judge Alton B. Parker in his address as retiring chairman of the Chamber's board of directors, created something of a stir in his words on the scandals uncovered at Washington.

"The recent conspicuous examples of individuals, prominent in big business, becoming intoxicated with power and involved in transactions tainted with fraud and corruption, violating every principle of sound business conduct, holding themselves above the law," Judge Parker said, "are not peculiar to this day nor to the profession of business. Every generation, every profession, has its unfaithful members.

"But business, which has lately been defined as 'the oldest of the arts and the newest of the professions,' must, in order to maintain its professional status and to reap the unquestioned advantage of group action, scrupulously discharge its group responsibilities.

"Among these responsibilities is to see to it that the profession of business is purged of those pirates whose acts stigmatize and bring business into disrepute. Such individuals, unmindful of their duties to the public, inevitably bring upon themselves and the entire institution of business the thunderbolts of public wrath in terms of legislative and governmental regulation that hamper a legitimate freedom of initiative. Ruthless and selfish activities must be curbed in the public interest and in the interest of legitimate business. . . .

"Business will decline to recognize as a member of the profession of business, and trade associations will decline to receive into their ranks, or will expel, an individual or an organization that wilfully violates the fundamental principles upon which sound business rests, or that persists in ignoring the decencies of business intercourse and besmatters all business with the slime of corruption or with the muck of unclean practices. . . .

"If organized business is content to sit

supinely by and permit the ruthless few to undermine the sound foundation on which it rests, then indeed does business richly deserve that swift manifestation of public indignation that will surely be visited upon it.

"Much has been said and written of the betrayal of public trust by those in high places. . . . The present concern of business is to cast the beam out of its own eye; to purge itself of these corrupters of public servants whose moral turpitude is making possible the betrayal of a public trust is even greater than that of those whom they would debauch; and put the ban of outlawry upon those who have a contempt for the public interest, those who have a contempt for the Government that affords protection to them and to their property, and those who have a contempt for our institutions of justice. Organized business will have the courage and sound judgment to cast out these defilers of the institution of business."

And the Chamber itself in one of its resolutions declared that one of the chief responsibilities of American business was "that of purging business of all those who indulge in commercial and political corruption and through resort to unclean or unworthy practices bring business into disrepute and shock the sensibilities of all decent citizens."

## Office Manager Wanted

**F**OR large warehouse operating cold and dry storage departments. Must have executive ability and be experienced in handling warehouse receipts, loans, storage records. Permanent position with assured future to right man.

Address Box T. T. 939, *Distribution and Warehousing*.

## O. K. to Build in Memphis

The O. K. Storage & Transfer Co., of which James M. Walker is president, is planning to erect in Memphis at a cost of \$400,000 one of the most modern household goods depositories in the country.

The structure, to stand on Union Avenue near Willett Street, will be six stories high, fireproof, of steel, reinforced concrete and brick, trimmed in stone and tile so as to resemble an ornamental club building.

The firm's present 13-story structure on Jefferson Avenue is to be completely remodeled. Two additional passenger elevators will be installed and the upper six floors will be leased for office purposes.

The company plans also to put up a modern body-building plant and service station to service motor trucks operating from the O. K. houses in New Orleans and Louisville. Bodies will be constructed and repaired in the plant.

## T. & T. Corporation Opens \$3,000,000 Buffalo Branch

**O**NE of the largest warehouses of its type in the world—and the final link in the chain of storage terminals spotted from Duluth at the head of the Great Lakes to New York on the eastern seaboard—has been completed and formally opened to the public in Buffalo, N. Y., by the Minnesota-Atlantic Transit Co., associated with the Terminals & Transportation Corporation of America.

The Buffalo project involves an investment of \$3,000,000 and is situated just north of the south entrance to the harbor.

Plans are being worked out, according to A. Miller McDougall, president, to establish a 48-hour fast express package freight service between Buffalo and Duluth, with Detroit and Port Huron linked. All boats will be refrigerated for the handling of dairy products and perishables.

The main building of the new terminal is a six-story concrete structure 1070 feet long, bordering on a concrete dock extending into the harbor. The warehouse provides 2,000,000 cubic feet of general merchandise and 2,000,000 feet of cold storage space. It is equipped throughout with a sprinkler system.

The cold storage plant is divided into twenty compartments, with direct and indirect refrigeration in each. A centrally located power plant provides all the motive energy demanded. All of the levels and units of both the cold and dry storage units are served by high-speed electric elevators, each capable of lifting a loaded motor truck.

The dock is 2000 feet long. The adjoining ship channel has been dredged to a depth of 22 feet to permit the largest ships to berth at the terminal. The outer section of the dock is equipped with modern types of cranes for handling bulk cargoes into and out of vessels, and electric conveyors have been installed to speed the work of unloading package freighters.

Railroad sidings are so arranged between dock and warehouse that 96 cars can be spotted at the storehouse doors in one shift. Service is provided by the Buffalo Creek Railroad to all trunk lines entering Buffalo within a radius of two miles.

Harry E. Gurber, industrial and trade development manager of the Buffalo Chamber of Commerce, said with regard to the terminal:

"Its opening marks an epoch in the outer harbor development. After a generation of inactivity of the waterfront properties the skyline of the new harbor development is now discernible."

Harry E. Jones has been made manager of the Buffalo terminal.

More than a thousand people attended the formal opening and inspected the plant, including Buffalo's mayor and members of the Common Council and representatives of the Harbor Improvement Committee, Transportation Club, Central Railroad Club, steamship and railroad officials, etc.

## Poole Retires from Industry, His Future Plans Uncertain

THE resignation of Gardner Poole as president and a report showing net earnings of more than \$64,000 during the past year as compared with a loss of nearly \$67,000 in the previous twelve-months period were the outstanding features of the annual meeting of the Quincy Market Cold Storage & Warehouse Co., Boston, on May 15.

Mr. Poole's withdrawal, coming just after his return from his recent visit to Rome, Italy, was a surprise. He had been president for the past two years. His successor is Charles H. Farnsworth, of Brookline, Mass., who was formerly the firm's president.

It was reported that Mr. Poole, who is a past general president of the American Warehousemen's Association and who in January was elected president of the American's cold storage division, would go to Alaska with a commission to make a survey of the fisheries and sealing industry for the United States Department of Commerce.

Mr. Poole has denied this report, however, saying that his plans for the future had not been determined.

The commission will leave Seattle on June 16. It is known that Mr. Hoover desired to select Mr. Poole by reason of a wide knowledge of the fishing industry through actual experience in the business on both the Atlantic and Pacific coasts, as well as intensive studies of refrigeration of perishable products. Also Mr. Poole is one of the Commerce Secretary's intimate friends.

### Farnsworth Again President

Mr. Farnsworth, who has been with the company a number of years, resigned as president and became chairman of the board of directors, a newly-created position, at the time when Mr. Poole became president; the office of chairman has now been eliminated. Mr. Farnsworth is a part owner of the National League baseball club representing Boston and is treasurer of the Pipestone Produce Co.

Burton R. Gage, who has been with the firm two years, was elected a director to fill the vacancy left through Mr. Poole's retirement. Mr. Gage is manager of the general storage department, the position formerly held by George S. Lovejoy, who for many years was president of the American Warehousemen's Association and who withdrew from the Boston company because of ill health. For some years Mr. Gage was office manager of the Commonwealth Ice & Cold Storage Co., Boston, of which Mr. Poole was formerly president.

Mr. Farnsworth, in his report to the stockholders at the annual meeting, said in part:

"The past year has been one of distinct progress in improving the physical condition of the property and reducing normal operating costs. Notwithstanding continued heavy expenditures for unusual repairs charged against earnings, the net earnings for the year were \$64,606.19, compared with a loss of \$66,-

953.58 for the preceding year; a gain of \$131,559.77. This was accomplished on an almost identical volume of business, and is due in part to substantial savings resulting directly from the expenditures for repairs in the preceding year, particularly on our street service mains. During the present year further operating savings will be realized from the expenditures in the year just ended.

"Last year we stored nearly 100,000 more cases of eggs than the previous year. To what extent our advertising campaign on cold storage eggs directly contributed to this increase is impossible to determine; probably it helped, but aside from the direct return we believe the publicity was of substantial benefit to the company in breaking down the prejudice against cold stored products and improving our relations with our customers.

"Our subsidiary, the Boston Terminal Refrigerating Co., which operates a cold storage warehouse in East Boston, for the first time since its acquisition showed net earnings sufficient to cover the dividends on its preferred shares which are



Gardner Poole, who has resigned as president of the Quincy Market Cold Storage & Warehouse Co., Boston

guaranteed by the Quincy Market Company. The outlook for the Boston Terminal Refrigerating Co. is rather better than a year ago.

"The quantity of merchandise in our cold storage warehouses on April 1 was about the same as one year ago and 36 per cent greater than two years ago. The outlook is not very different from last year at this time; some commodities will doubtless be stored in greater volume than last year, while others may not reach last year's figures. It is chiefly a question of volume of production and that cannot be foretold with any certainty.

### General Conditions

"Conditions in the general storage warehouse business in nearly all parts of the country are not satisfactory or encouraging. They are no better, probably somewhat worse, than a year ago, yet we have managed to increase our revenue slightly. It is, however, a constant struggle against declining rates.

(Concluded on page 57)

## Poole, Returned from Rome, Lauds Refrigeration Meet

GARDNER POOLE, recently resigned as president of the Quincy Market Cold Storage & Warehouse Co., Boston, and a past general president of the American Warehousemen's Association and now president of the American's cold storage division, returned home, with Mrs. Poole, on May 7 from his trip to Rome, Italy, where he was one of the Department of State's six delegates representing the United States at the fifth International Congress of Refrigeration, April 9-15. He served also as official observer for the Department of Commerce. Discussing their journey, Mr. Poole said to S. F. Holland, *Distribution and Warehousing's* Boston news correspondent:

"On our arrival in Genoa we could not help but notice the industrious activity of the Italian people now so apparent under the régime of Mussolini. After the Congress had adjourned we made a tour of the principal cities of Europe as the guests of the Italian Government, and in all of them we could see the same up-and-doing spirit of its citizens that we first beheld on our arrival in Genoa. We left Genoa, April 24, on the Italian Line steamship 'Conte Riancamano,' arriving in New York, May 4.

"The Congress was held in the Agricultural Institute and was opened by a representative of the Italian Government, which extended many courtesies to the delegates. Representatives were present from forty-two nations of the world. Many of them were the 'high lights' and most notable authorities of refrigeration in their respective countries. To avoid a confusion of tongues similar to that once prevailing in the Tower of Babel, the general deliberations of the Congress were carried on in Italian and French through interpreters provided for those unfamiliar with the tongues. There were also sectional meetings for discussions of the various branches of refrigeration, to which interpreters were assigned. That much beneficial information was acquired by those attending these deliberations goes without saying.

"I have been present at other international refrigeration congresses in the past, but never before have I seen the importance of refrigeration more greatly emphasized than during the proceedings of this Roman Congress. The sessions were most interesting. During the week it convened all phases of refrigeration were touched upon. As the Congress progressed from day to day it was inspiring to listen to the words of men of science and industry, who gave freely of their knowledge and of their experience, imparting constructive information toward the advancement of the common goal of progress. All in all, the Congress was a splendid example of what nations might do in cooperating for the advancement of an art in the interests of mankind.

"Here were unfolded the latest developments and improvements in the pro-

(Concluded on page 57)

## Chicago Has Had Probably Its Last May Moving Rush

**M**ORE than 110,000 Chicago families were settled in new apartments and homes by midnight on May 1 after the close of the city's biggest—and what may prove to be the last—moving jam.

Reliable statistics of former years show that about 10 per cent of Chicago's population moves over six months. This year, however, the completion of hundreds of new apartment buildings and a consequent reduction in rents brought about the greatest emigration from one part of the city to another in Chicago's history.

Many of the storage company's vans moved families' household goods by day and office furniture by night.

"We see easier times ahead for next year," according to Martin H. Kennelly, president of the Werner Bros. Fireproof Storage Co. and president of the Chicago Traffic Club. "We believe that enough people have taken leases which expire 'out of season' to make a material reduction in the crush."

It is through these "out of season" leases that the Chicago van companies expect future relief by spreading "annual moving day" over a period of months. Some time ago a movement was started to do away with the dating of apartment and office leases from one May 1 to the next May 1, as has been the custom for forty years. Renting agents and realtors have been persuaded to make out leases for thirteen, fourteen and fifteen months in equal divisions.

Many tenants were averse to the change, yet a satisfactory number have signed to make next year's moving period around May 1 less of a task. It is estimated that more than 10 per cent of the new lessees have accepted the provision, and many others are expected to take leases to expire July 1, Aug. 1, etc., in 1929.

In New York City the changes around May 1 this year were about normal. Many of the leases were many years ago fixed to expire on Oct. 1, so that the metropolis has two moving days a year instead of one. The New York Furniture Warehousemen's Association is making an effort to have leases "staggered" throughout the twelve months.

## Pork Stocks Continue as Feature of Cold Storage Situation

Larger holdings of pork as compared with a year ago continue to feature the cold storage situation, according to the May report of the Bureau of Agricultural Economics, United States Department of Agriculture. Stocks of creamery butter were larger on May 1 this year as compared with a year ago, but decreases were reported for poultry and eggs.

Total meats in storage May 1 aggregated 1,077,957,000 pounds, against 893,523,000 pounds on May 1 a year ago. Beef stocks were less than those of last year; but the supply of frozen pork is placed at 306,098,000 pounds, against

204,608,000 pounds a year ago. Figures on dry salt pork and pickled pork fully cured and in process of cure were larger than for May 1 last year.

Creamery butter holdings May 1 are placed at 5,139,000 pounds, against 3,436,000 pounds a year ago; American cheese, 30,152,000 pounds, against 32,487,000 pounds; and case eggs, 4,497,000 cases, against 5,501,000 cases. Total frozen poultry stocks are reported at 56,783,000 pounds, compared with 77,282,000 pounds last year.

Apples in storage are reported at 261,000 barrels, compared with 650,000 barrels a year ago, and 2,885,000 boxes compared with 2,312,000 boxes.

## Boston Wharfage Rates

Wharfage and dockage rates, approved by the merchandise warehousing interests in Boston, go into effect on June 1 at the Commonwealth Pier, Boston, and other State-owned piers. Thus one source of State competition with public warehousing is removed.

Steamship companies will now pay 10 cents a ton in dockage charges on all goods landed at the piers, while owners or operators of teams, trucks and railroads will pay 25 cents a ton in wharfage charges on goods passing over the piers.

The new rates were promulgated the first of the year and were to have gone into effect on April 1 and then on May 1 but were deferred twice, owing to opposition by steamship and longshoremen's interests, pending hearings by William F. Williams, commissioner of the Massachusetts Public Works Department.

On behalf of the Boston public storage interests, Samuel G. Spear, president of the Massachusetts Warehousemen's Association and treasurer of Wiggin Terminals, Inc., Boston, spoke in favor of the new rates. Opponents included Frank S. Davis of the Boston Maritime Association.

## New Incorporations Within the Industry

### Oklahoma

**Quinton**—Braden & King Co. Storage warehousing and compress. Capital, \$29,500. Incorporators, W. S. Braden of Quinton and B. H. King of McAllen, Okla.

### Rhode Island

**Newport**—Egan Transportation Co. Transfer and trucking. Capital, 250 shares of stock of no par value. Incorporators, David E. Egan and John J. Egan.

**Providence**—Rhode Island Transfer Co. (organized). Transfer and hauling. Wilfred E. Varieur heads the firm.

A year-round reference volume on the desks of national distributors is the annual **Warehouse Directory**. It is the book they consult when selecting warehouses to store and distribute their products.

## N. Y. Dock Made Net Gain, 1927. Tilly Elected a Director

**T**HE annual report of the New York Dock Co., submitted to the stockholders by Grigori Benenson, president, on April 24, shows that the company's net income for the year ended Dec. 31, 1927, was \$789,305.18, as compared with \$699,895.49—a net increase of \$89,409.69.

The gain was made notwithstanding that expenses were approximately \$176,000 higher in 1927.

The gross revenues from storage warehouse operations totaled \$1,309,647.05 in 1927, as against \$980,332.39 in 1926—an increase of \$329,332.29. Mr. Benenson attributes this to "somewhat larger demand for storage warehouse facilities together with long term storage of commodities."

Gross revenues from piers decreased by about \$109,700 in 1927 as compared with 1926. Gross revenues from manufacturing and rented buildings increased by more than \$100,300.

Dividends aggregating 5 per cent were declared on the preferred stock out of the net earnings for the year—2½ per cent on July 15, 1927, and 2½ per cent on Jan. 16, 1928.

The surplus as of date of Dec. 31, 1927, was \$3,802,346.04.

The report discloses that David L. Tilly, the executive vice-president, was on March 16 elected a director and a member of the executive committee.

The New York Dock Co. owns and operates 106 bonded and free warehouses with total floor space of approximately 3,800,000 square feet, together with 34 piers and 67 manufacturing buildings.

## Bay State May Tax Gas

Governor Fuller of Massachusetts signed on May 11 a bill enacted by the State Legislature providing for a tax of 2 cents a gallon on gasoline, effective Jan. 1.

The Motor Truck Club of Massachusetts, which had asked the Governor to veto the measure, is considering plans to have the proposed law put on the referendum ballot in the fall. When a similar bill was enacted several years ago the same procedure was adopted by its opponents and the statute was rejected by a vote of 500,000 to 220,000.

Charles McGlue, chairman of the Democratic State committee, is authority for the statement that the situation will once more be put before the people, and there is agitation that the State's compulsory insurance law be coupled with it in the balloting.

The State Democratic machine is said to feel that with the gas tax and the compulsory insurance statutes as campaign issues, Massachusetts would elect a Democratic Governor, reelect United States Senator Walsh and place the Bay State in the Democratic column in the Presidential race.

The gas tax bill signed by Governor Fuller provides also for a radical reduction of motor vehicle registration fees.



## Poole Retires from Industry to Study Alaska Fisheries

(Concluded from page 55)

We are told by national storers that the service we render is the best they receive anywhere in this country. We generally receive a preference over our competitors and to this we attribute the fact that conditions with us are no worse.

"Notwithstanding the present surplus of general storage space, the Boston & Maine Terminal Building Co. is about to erect another warehouse, directly opposite our Charles River Stores, to supply the identical service that we are already rendering. With an investment in our Charles River stores of less than two-thirds per square foot of what their investment will be, we do not fear their competition and believe that the new building will advertise and bring business to the locality, ultimately increasing the value of our property.

"On March 31 last for the first time in many years we had no bank loans or other floating debt. Our net working capital is about \$800,000, which is ample for our requirements."

The company's profit and loss account for the year ended March 31 shows a gross income of \$2,131,175.50. Operating expenses totaled \$1,802,380.61, and administrative and selling expenses \$136,998.86. Thus the net income from operations was \$191,796.03. Deduction of interest and other charges and addition of other income of miscellaneous character left a net profit for the year of \$64,606.19. The company declared dividends totaling more than \$100,000 during the year.

## New 'Frisco Terminal Faces Legal Fight

A long legal battle looms ahead of the San Francisco Produce & Provision Terminal, Inc., which has received a permit from the board of public works of the California port to erect a \$3,000,000 public warehouse and terminal on the Marine shore of the city.

The board of supervisors of San Francisco city and county, moved by petitions from residents of the Marina district opposed to the terminal, has instructed the city attorney to start an injunction suit if he can find any basis of illegality in the permit issued by the board of public works.

The San Francisco Produce & Provision Terminal, Inc., however, has announced that it will hold the city and county responsible for damages if the permit is attacked. At the same time the supervisors agreed to consider an ordinance prohibiting the establishment of warehouses, produce or other terminals, freight yards or any industrial plants, within a specified distance of a residential section.

The board of public works has reported to the supervisors that when the terminal applied for its permit there was no opposition, and that the board had no other course except to grant the petition. Residents of the Marina residential district have stated they will start their own injunction suit if the

supervisors finds themselves unable to attack the permit.

Meanwhile the sponsors terminal have possession of the land and are proceeding with construction.

## National Terminals Expansion

The National Terminals Corporation, operating in Chicago, Cleveland and Indianapolis, has opened its new bulk cargo dock terminal, in East Chicago, Ill., operated by a subsidiary known as the East Chicago Dock Terminal Co.

With a capacity of 1,000,000 tons a year, this unit is within the Chicago switching district and is served by the Indiana Harbor Belt, Pennsylvania, Baltimore & Ohio Chicago Terminal and Elgin, Joliet & Eastern railroads. The site is in the heart of the Calumet region on the Indiana Harbor Canal, with 1500 feet frontage along that waterway.

The offices of the new terminal company are at 589 East Illinois Street, Chicago.

## Shaffer Terminals Expand

Long-term lease on Milwaukee Dock No. 1, Tacoma, Wash., has been taken by Shaffer Terminals, Inc., of that city. The corporation retains its Dock No. 1, which it has had under lease for a number of years from the Northern Pacific Railroad Co.

The Milwaukee Dock just obtained will be known as Shaffer Dock No. 2. This terminal is situated in the heart of the new industrial area being developed on the Tacoma waterfront, and is immediately connected with rail, deep-sea-ship, and inland barge lines. It will be able to care for a large part of the shipping, storage and distribution of commodities and materials in this industrial section.

Two steamship lines will be established on the dock—the new Tacoma-Oriental Line, which will have headquarters there, and the Oceanic & Oriental Navigation Co., which will make regular calls.

Shaffer Terminals, Inc., was organized seven years ago by R. H. Shaffer and, two years later, Samuel B. Stocking purchased the minority interest and became vice-president and general manager.

The newly-leased Milwaukee dock occupies a part of the filled ground between the Puyallup river and the Milwaukee waterway, which extends about three-quarters of a mile north of East Eleventh Street, being about 600 feet wide and affording berthings deep enough for vessels of any draft. The river affords barge connections with interior territory.

## Seeks Capital Increase

The Chattanooga Warehouse & Cold Storage Co., Chattanooga, Tenn., applied to the local County Court on May 9 for an amendment to its charter of incorporation so as to increase its capital to \$100,000 from \$50,000, the increase to be of preferred stock.

## Poole, Returned from Rome, Lauds Refrigeration Meet

(Concluded from page 55)

duction, the transport and the distribution of perishable products both from the standpoint of economics and of the physical well-being of the people of all the civilized countries. The discussions covered broader subjects of economics, such as social welfare, industry, hygiene, physics and chemistry, than one hears in everyday life. The lecturers, in the handling of their subjects, represented both the ideal and the practical, as it were. In some cases, while they were always correct, it was startling and amusing to observe the different angles from which various persons would consider and discuss a question.

"To sum it up in a nutshell, the Congress was a storehouse of information for those who attended."

Mr. Poole, asked how refrigeration in other countries compared with that in the United States, said:

"From a practical standpoint I should say that there is a greater advancement in the refrigerating processes and in the establishment of cold storage facilities in this country than in any other part of the world. It is apparent, however, that there is a recognition of its importance in many other countries which have been in the past slow to adopt our up-to-date methods, and then only to a limited degree. There is now an apparent impetus that is spreading quite rapidly into many of the more advanced countries, and no doubt the next five years will produce tremendous increase in the use of refrigerating processes in all its many branches.

"The Congress was a huge success and is bound to enlist even a greater interest in the next International Congress of Refrigeration, which will be held at Buenos Aires, Argentine, in 1932."

Mr. and Mrs. Poole sailed from New York on the steamship 'Tuscania' of the Cunard Line on March 17, arriving six days later at Havre. From there they went to Paris, where a few days were spent in sight-seeing, and later toured southern France, including Nice and other water resorts before crossing the border into Italy.

## New 'Frisco Forwarder

Formation of the Anderson-Mattoon Co., freight forwarders, terminal agents, cargo surveyors and transportation representatives, with headquarters at 149 Sacramento Street, San Francisco, is announced by Cyrus A. Anderson, who heads the new organization.

Mr. Mattoon is a member of a family which pioneered shipping and warehousing in San Francisco.

Hundreds of shippers subscribe to the annual Warehouse Directory. Why? Because they consider the information therein reliable, dependable, authentic, up to date.

## Activities of Executives

### In and Out of the Industry

**H**ORACE C. AVERY, vice-president and general manager of the Union Terminal Warehouse Co., Jacksonville, Fla., has been elected president of the Jacksonville Rotary Club.

John Bekins, president of the Bekins Omaha Van & Storage Co., sailed late in April for Europe. He was accompanied by Mrs. Bekins.

Leonard S. Clark, treasurer and operating executive of Henry G. Drinkwater's Sons, Inc., Greenwich, Conn., has been elected president of the Greenwich Rotary Club. Mr. Clark is president of the Connecticut Warehousemen's Association.

Harry D. Crooks, president of the Crooks Terminal Warehouses, Chicago, is president of the Clearing Industrial Association which recently dedicated a \$200,000 club house at 65th Street and Clearing Avenue, Chicago. The Clearing Industrial district is a rapidly-developing manufacturing center.

Olin M. Jacobs, Boston, secretary of the Massachusetts Warehousemen's Association, was one of the delegates representing the Boston Chamber of Commerce at the annual convention of the Chamber of Commerce of the United States at Washington in May. While there he attended the spring meeting of the American Trade Association Executives.

Malcolm A. Keyser, president of the M. A. Keyser Fireproof Storage Co., Salt Lake City is one of the candidates for the Republican nomination for Governor of Utah.

Leroy D. Owen, vice-president and general manager of Westland Warehouses, Inc., Los Angeles, has been named secretary of the Foreign Trade Club of Southern California.

John T. Spencer, general manager of the Great Lakes Terminal Warehouse Co., Detroit, was confined to his home for several weeks recently with a severe illness.

Oscar W. Thomas, secretary of the A-B-C Fireproof Warehouse Co., Kansas City, Mo., was recently chosen president of the Kansas City Rotary Club.

A. C. Weicker, president of the O. K. Transfer & Storage Co., Oklahoma City, recently consigned a 60-head drove of fed heifers at the day's top, \$12.25, in Oklahoma City's livestock market. The cattle were fattened on the O. K. farm west of the city.

Stephen H. Whidden, secretary of the Boston Storage Warehouse Co., Boston, has become a member of the Boston Real Estate Exchange.

William R. Wood, operating executive

of the Liberty Storage & Warehouse Co., New York City, was married recently to Mrs. Olive Everett of Hawley, Pa. The wedding took place in Hawley. Mr. Wood is a past president of the New York Furniture Warehousemen's Association.

### Change of Ownership of the Pike's Peak Company

The Pike's Peak Warehousing Co., Colorado Springs, Colo., has been sold to Roy G. Cook of Fort Collins and Roy N. Campbell of Denver. The consideration is reported to have been in the neighborhood of \$150,000.

Mr. Cook will be president and Mr. Campbell, vice-president and treasurer. Benjamin F. Hough, who has been the firm's superintendent for the past ten years, has purchased an interest in the business and will be secretary, assistant treasurer and superintendent.

The Pike's Peak company was established in 1910 and operates two merchandise and household goods storage warehouses containing about 30,000 square feet of floor space. Its investment is set down in the 1928 Warehouse Directory as \$85,000. The firm is a member of the National Furniture Warehousemen's Association and of the Colorado Transfer & Warehousemen's Association.

### \$2,000,000 Lyon Company Is Incorporated in California

**O**RGANIZED to do a general warehouse and draying business, the Lyon Van & Storage Co., a \$2,000,000 corporation, filed articles of incorporation with the California Secretary of State, Frank C. Jordan, in Sacramento on April 26.

Headquarters of the company will be in Los Angeles, according to the incorporation papers, which set down the name of the incorporating stockholders as follows:

Judson M. Davis, president of the Lyon Fireproof Storage Co., established in Los Angeles in 1911.

Frank A. Payne, associated with the present Lyon firm and who is secretary of the Pacific Coast Furniture Warehousemen's Association.

James G. Warren, treasurer of the present Lyon company.

Henry M. Burgeson, secretary of the Wilshire Fireproof Storage Co., Los Angeles.

Chester A. Nelson, Los Angeles.

Rodney S. Sprigg, president of the Premier Fireproof Storage Co., Hollywood.

E. B. Gould, president of the Pioneer Truck & Storage Co., San Diego, and a past president of the National Furniture Warehousemen's Association.

John J. Reynolds, San Diego.

John T. Driscoll, San Diego.

J. R. Lathim, Jr., proprietor of Lathim's Van & Storage Co., Santa Barbara.

C. R. Horrell, Long Beach Transfer & Warehouse Co., Inc., Long Beach.

## Great Merchandise Mart to Be Erected in Chicago

**A** MAMMOTH freight station will be a prominent feature of a gigantic Merchandise Mart to be erected in Chicago—a structure twice the size of the largest business building in the world. Probably no commercial building ever constructed possesses such facilities for receiving and shipping merchandise as will be possessed by the new Merchandise Mart, which is destined to become the great central market for the buyers of the United States. Construction will begin at once.

The entire ground level of the Mart below the street floor will be a modern freight station. Private tracks for incoming carload freight will extend under the center of the building. The Chicago & North Western will operate an inbound freight station for less than carload lots, as well as an outbound station, which will connect with all other roads through its new Proviso yards. The merchandise as it comes into the big station will be loaded into automatic conveyors, which will speed the merchandise immediately to the exact floor and aisle of the merchant for whom it is intended.

Connection will be made with the Illinois Tunnel Co.'s system of freight transportation, which has more than sixty miles of tracks beneath the streets and buildings of the city, reaching all other railroad terminals. A dock for vessels also will connect with the south elevators of the building.

The Mart, which will be two city blocks in length, 18 stories high, with a 5-story tower, representing an investment of \$30,000,000, will house the sales quarters and merchandise displays of manufacturers, wholesalers and importers. It will be located in the newly created business area of the city—the new river district on the North Side—where it will occupy a conspicuous place just across the Chicago River from Wacker Drive. The main entrance will face the river and in front of the building will be a boulevard 80 feet wide.

The Mart will have a total floor area of about 4,000,000 square feet. Each of the eighteen floors will have an area of more than 200,000 square feet. The five-story tower will be 120 by 140 feet.

Within the walls of this edifice the retail merchants of the United States, Canada and foreign countries will be able to see hundreds of lines of the world's best merchandise under one roof. The manufacturers' exhibits will include textiles ready-to-wear, toys, laces, millinery, silverware, glass, rugs, knit goods, hosiery, shoes, men's wear, gloves, corsets, shirts, notions, fancy goods, sport goods, art and antiques, jewelry, trunks, toilet articles, house furnishings, office equipment, etc.

On every floor will be great corridors, with all the appearance of boulevards, 650 feet in length, on either side of which will be the shops displaying their varied lines—veritable "business streets."

## Another Achievement

The Albany, N. Y., Unit of the Continental  
Terminals, Inc., Chain of Warehouses



Our complete services assisted in the development of this modern terminal of over a half million square feet of general merchandise and cold storage space.

**MOORES & DUNFORD, Inc.**

110 East 42nd Street



New York City



## Warehousing Reports Before Shippers' Advisory Boards

**M**OVEMENT of household goods in Missouri, Kansas, northern Oklahoma, northern Arkansas and southern Illinois during the second quarter of 1928 "will show an increase over the past quarter, although no great increase is anticipated over the corresponding period last year," John A. Groves, household goods vice-chairman of the warehouse and storage committee of the Trans-Missouri-Kansas Shippers' Advisory Board of the American Railway Association, reported at the recent fifth annual meeting of the board, in Kansas City.

"Owing to the nature of this business," continued Mr. Groves, who is president of the Groves Storage Warehouse Co., Kansas City, "it is not possible to forecast the number of cars needed to protect the needs of the industry in this region.

"The industry as a whole continues to cooperate with the carriers in the reduction of claims due to improper packing and marking, as we are as much interested in this feature as the carriers, as we are interested in having our goods arrive at destination in perfect condition. Rail service during the first quarter of this year has been all that we can reasonably expect."

F. C. Adams, merchandise storage vice-chairman and a vice-president of the Adams Transfer & Storage Co., Kansas City, submitted this report:

"Storage stocks in merchandise warehouses at this time are about normal, and indications point to a continuation during the second quarter of this year. Movement of goods out of storage during the second quarter will be approximately the same as a year ago.

"No complaints have been registered with this committee concerning car supply or condition of equipment. Terminal and road service are about normal."

### On the Pacific Coast

S. M. Haslett, president of the Haslett Warehouse Co., San Francisco, reporting as chairman of the warehouse and cold storage committee of the Pacific Coast Transportation Advisory Board at the board's March meeting in San Francisco, said:

"There has been no noticeable change since our last meeting. No adverse criticism of the car supply or service by the carriers has been received.

"The country warehouses are cleaning out their 1927 season crops in a normal way and most of these storehouses will be ready by June 1 for the 1928 season.

"The business of distribution warehouses at terminals has not been so brisk but that there is ample space to meet any public storage demand.

"Cold storage warehouses are adequately meeting the needs for accommodation of perishables, and where peak capacities at producing points are utilized sufficient refrigeration may be had at the contiguous plants along the line of the carriers."

## Sugar Storage

Paul Bekins, Sioux City, Iowa, secretary of the Iowa Warehousemen's Association, has made public the following letter received from G. W. Mercer, president of the Mercer Transfer & Storage Co., Burlington, in regard to storage of sugar:

"Until a short time ago, the refineries, on direct shipments from the refineries, made a ten cents per hundred less price than if the sugar was withdrawn from warehouse stock, thus penalizing warehouse stocks to the extent of ten cents per bag.

Recently they have raised their direct shipment price to the same level as if withdrawn from warehouse stock, thus removing the penalty.

"This should make withdrawals, and stocks in warehouses, a little heavier on sugar. However, the Sugar Institute is trying to get their members (the refineries) to limit their warehouse stocks to either points with large consumption, or to diversion points, and are not opening up any new storage stocks."

## Keenan-to-Reimers Air Shipment

**A** ONE - HUNDRED - POUND package from James F. Keenan, Pittsburgh, treasurer of the National Furniture Warehousemen's Association, to Henry Reimers, Chicago, the trade organization's executive secretary, was one of the first shipments in the air express service recently inaugurated by the American Railway Express Co. The package went by way of Cleveland.

Arthur C. Dell, treasurer of the Haugh & Keenan Storage & Transfer Co., of which Mr. Keenan is president, sees great possibilities for warehousemen in the express company's new air service.

"Now Pittsburgh business houses and manufacturers have thirty-six-hour service to the West Coast, overnight service to Texas, and eight-hour service to Chicago and Detroit," Mr. Dell points out, adding that the service should prove valuable also to department stores in transporting new creations, to banks in sending securities, valuable papers and currency, and to business generally.

## Dennett with Brownsville Firm

G. Wilbur Dennett has resigned as manager of a motor company in Brownsville, Tex., to become manager of the Valley Bonded Warehouse & Cold Storage Co. of that city. He recently spent some time in San Antonio at the plant of the Scobey Fireproof Storage Co. to familiarize himself with details of warehousing.

## George M. Weaver Dies at 57; Was Cold Storage Authority

**G**EORGE M. WEAVER, general manager and operating executive of the Chicago Cold Storage Warehouse Co. and nationally known in the refrigerating branch of the industry, died on April 26 at his home. He was 57 years old.

Mr. Weaver's early business life was in the service of the Chicago Central Railroad, where he rose to the position of assistant general freight agent. After leaving the railroad he became general manager of the Detroit Refrigerating Co. and later became associated with the Chicago company.

Active in the affairs of the cold storage division of the American Warehousemen's Association, Mr. Weaver at various times served as the division's president, treasurer and executive committee member.

At the time of his death Mr. Weaver was president of the Illinois Athletic Club, one of Chicago's leading social and athletic organizations.

## Thomas L. Healy Dead

Thomas L. Healy, vice-president and a director of the Monarch Transfer & Storage Co., Kansas City, Mo., died at his home on April 13. He had been connected with the firm since 1918, although not active in the business.

Mr. Healy was executive secretary of the Real Estate Board of Kansas City at the time of his death.

## John Triska Dies

John Triska, traffic manager of the Bowling Green Storage & Van Co., New York, died on April 23 after an illness of several months. He was 34 years old. Mr. Triska had been with the firm about ten years.

## George F. Feeney Passes

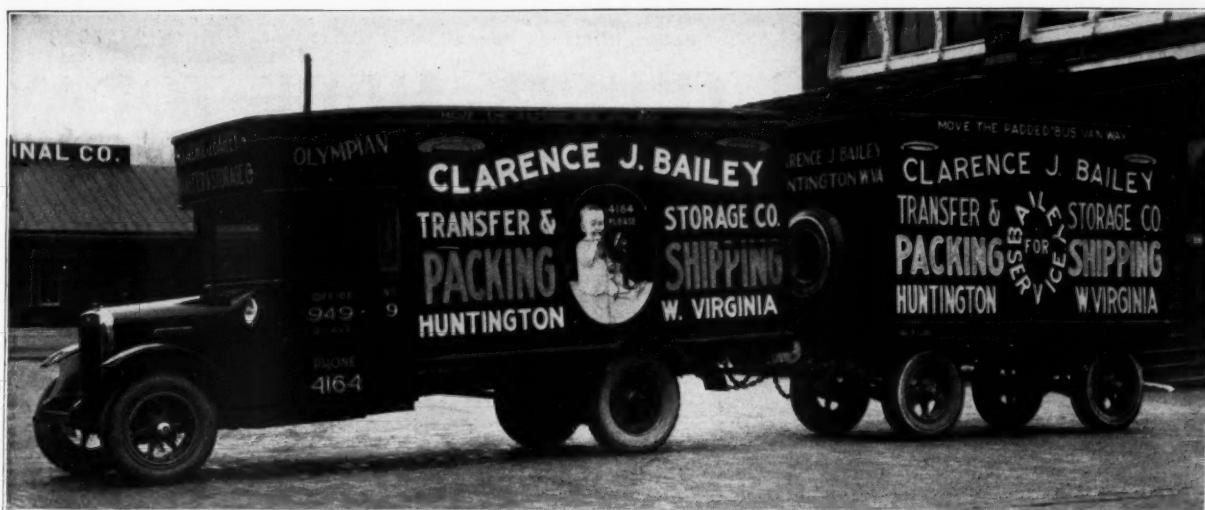
George F. Feeney, traffic manager of the State Pier, Portland, Me., died on May 8. He had been engaged in steamship work for a quarter-century and had a special knowledge of freight tariffs.

## New Texas Companies

The O. K. Storage & Transfer Co. has been incorporated in Richmond, Tex., with a capital stock of \$500. The incorporators are G. W. Phillips, J. M. Phillips, and H. W. Rogers.

The Jones Transfer & Storage Co. has been incorporated in Harlingen, Tex., with a capital stock of \$35,000. The incorporators are R. F. Fulton, O. C. Renfro, and G. M. Taylor.

The Texas Port City Storage & Transfer Co. has been incorporated in Houston with a capital stock of \$5,000. The incorporators are G. L. Thacker, J. H. Lewis and C. E. Richards.



C. J. Bailey of Huntington, W. Va., does double duty with his International Speed Truck by hooking a big van body trailer on behind the truck. Just another example of how well International Trucks are solving equipment problems in the transfer and storage business.

# Eight Speedy Models

## for fast, long, hard Service

**T**HIS is the day of the *Speed Truck*. Lighter loads, faster hauling—and economy! Flexibility and sure performance. Speed for good going, power for bad going, and sturdy members to stand up under every load. Trucks easy to ride and drive, easy to look at, *easy to like*.

International Harvester has been a pioneer of the speed truck. Years of experience have gone into these models and thousands of them are on the road proving their qualities. You will find that owners are glad to repeat on International.

Your needs we can suit exactly from our complete line. International Speed Trucks

come in three sizes, 1¼, 1½, and 2 ton . . . both four and six-cylinder . . . 2-ton jobs for fast dump or semi-trailer service . . . various wheelbase lengths, and all styles of bodies. Then there is the neat, fast Special Delivery for the lighter loads.

In addition to the Speed Trucks and the Special Delivery Truck to take care of anything from ¾ to 2-ton requirements, there are the International Heavy-Duty Trucks ranging from 2½-ton to 5-ton sizes. Also, Motor Coaches and McCormick-Deering Industrial Tractors. See this equipment at the nearest Company-owned branch, or write to us for complete information.

**INTERNATIONAL HARVESTER COMPANY**

606 So. Michigan Ave. **OF AMERICA**  
(Incorporated)

Chicago, Ill.

# INTERNATIONAL

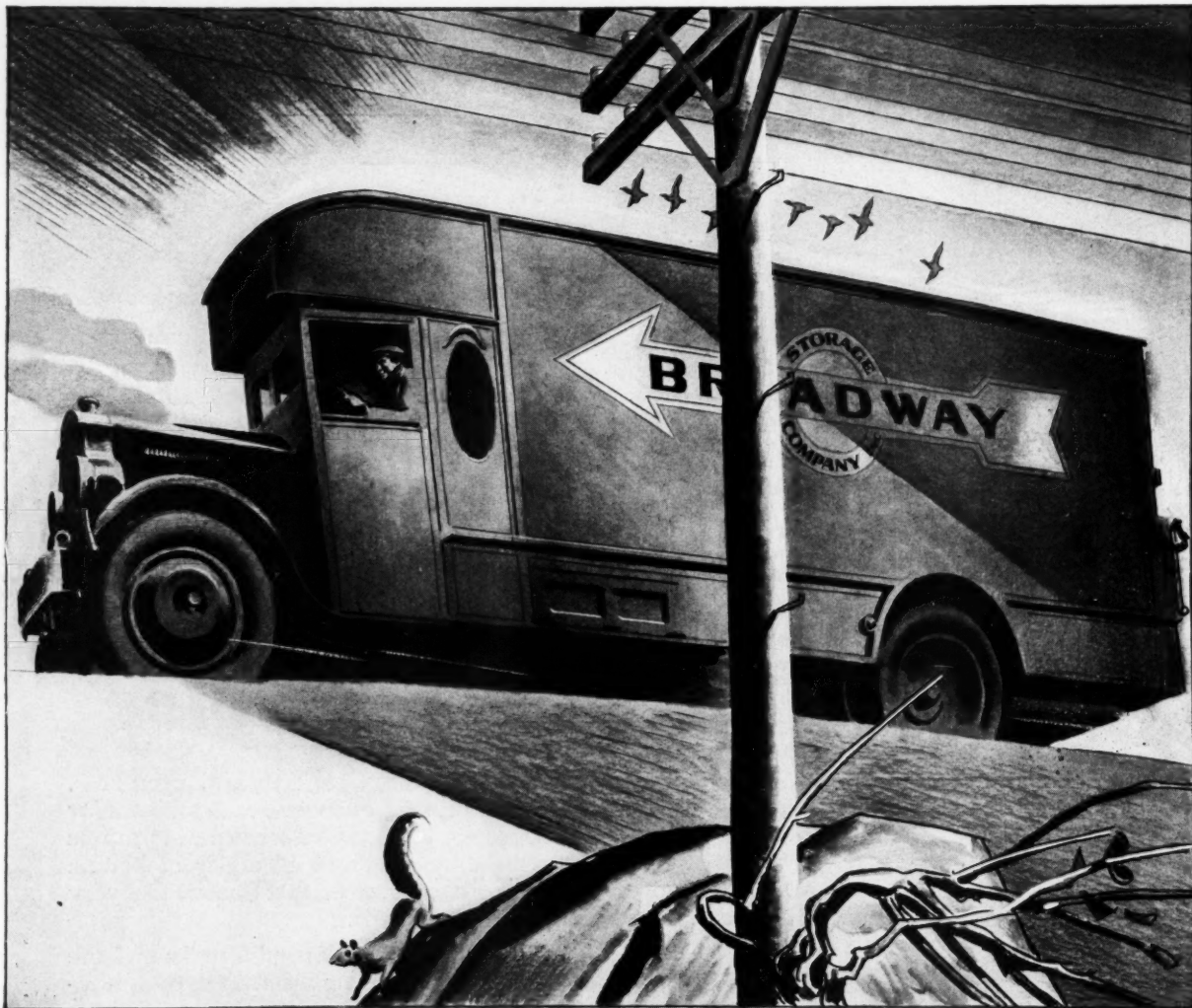
## HARVESTER TRUCKS

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

THE SATURDAY EVENING POST

MAY 26, 1928

## TOMORROW'S TRUCK...HERE TODAY



## The "RANGER" *A new 6-cylinder Autocar..... designed especially for high speed long distance hauling*

The "Ranger" is another of Autocar's contributions to this modern motorized age—a truck that links city with city no matter what lies between—with power to cross mountains, with speed to lay the miles behind it, with stamina to do the job well—and ask for more.

SIX CYLINDER UNIT POWER PLANT develops 75 brake horsepower, enough and to spare for speed along the open road—super power to lick the inevitable bad spots in any long run.

DUAL RANGE TRANSMISSION gives eight gradual gear changes. That means more miles per hour at lower motor speeds, long life and fuel economy.

MODERN EQUIPMENT: Electric lights and self-starter, of course; pneumatic tires (single, front; dual, rear). Booster brake for instant control.

Good-looking; low hung to hug the road tenaciously. The "Ranger" is a goodwill builder wherever you may send it.

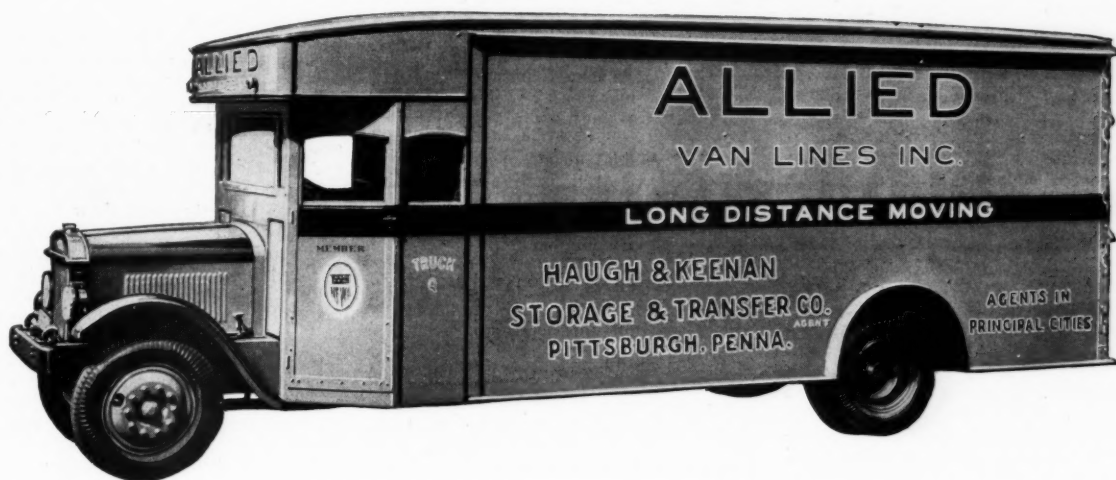
# Autocar Trucks

*The Autocar Company, Ardmore, Pa., Established 1897*

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING



*This new*  
**6-CYLINDER AUTOCAR**  
**"RANGER"**  
*inaugurates*  
**Allied Van Lines Service**



Sponsored by the National Furniture Warehousemen's Association, Allied Van Lines, Inc. has been formed to promote a reliable long distance moving service. Its members own and operate their own equipment, and acting as agents, reap the benefit of a country-wide standardization of van paint jobs, name, and good will.

The Haugh and Keenan Storage & Transfer Company of Pittsburgh, whose new Autocar "Ranger" is illustrated above, have been the first to operate an Allied Van Lines unit in that territory. Forty years of successful business has made them keen to adopt such forward-looking ideas, and their choice of the new Autocar "Ranger" is justified by the truck itself.

*Send for folder completely describing The New Autocar "Ranger"*

**Autocar Trucks**  
*The Autocar Company, Ardmore, Pa., Established 1897*

## Fumigation of Entire Plant Is Advocated by Aspinwall

(Concluded from page 9)

under proper conditions the premises are entirely rid of insect pests and also animal pests such as mice, excepting those within closely packed and fairly air-tight receptacles such as trunks and boxes, particularly if the boxes are paper lined. The fumigation must be done when the temperature is above 70 to be successful, and the higher the temperature above 70 the better the results. It is also recommended that the charge be set off in each section separately, and that the gas be allowed to remain in the section for twelve hours or longer.

Extreme precautions are necessary, because Hydro cyanic acid gas (HCN) is extremely deadly to humans as well as other animals.

With one or, at the most, two fumigations a year, and careful fumigation in the fumigation room of articles known or suspected to be infected with insects that come into the depository thereafter, little or no trouble will be experienced from moths or other insects. It seems to us that this practice should be recommended to warehousemen as being more thorough and giving a more general protection to the goods stored than fumigation of special articles and storage in rooms provided with particular protection against moths.

Is it not possible that with the protection afforded by this process, and with provision for insurance against fire, the warehouseman of the future will accept all goods on storage, assuming full liability for their safety from all causes, limiting his liability only to the amount of \$50 on any one piece unless a higher valuation is declared?

When that practice prevails, the various clauses on the warehouse receipt that have provided so much discussion at warehouse meetings may be done away with.

Of course, if furs, garments, tapestries and valuable rugs are to be cared for and guaranteed, cold storage vaults should be provided if the warehouseman wants to sleep easily of nights.

### Gerhardt Says New York Port Is Not Over-Crowded

P. L. Gerhardt, vice-president of the Bush Terminal, addressing the Foreign Commerce Club at the Hotel Astor in New York on May 16, said that civic groups and politicians had caused the port of New York to be burdened by freight differentials by their repeated charge that the port was congested and the cost of doing business excessive, where the cost was, he declared, relatively lower than at competitor ports here and abroad.

He predicted that differentials would increase at the expense of port business if the false impression continued to be spread. He pointed to the relative decreases as an example of the damage done.

"Exports from New York have increased in gross tons," Col. Gerhardt said, "but in proportion the exports from other ports have surpassed those of New York. Facilities are available here for everyone who needs them and the cost of shipping goods here is less than in other ports when we analyze the figures and see how the costs here are divided among the various interests. New York as a port has no spokesmen and conditions here are incorrectly described. With all our civic groups, I never have found two that would agree when a method of obtaining an advantage for the port was in question."

Col. Gerhardt traced the situation to the war, when New York was the overwhelmingly crowded American port. The congestion of the war days no longer exists but the impression of congestion has never left the minds of shippers, he said. Nothing has been done in ten years to enhance the port's interests, he added, and the result will be a growing impression of a crowded, expensive port throughout the country unless shippers and civic groups realize that they are damaging their interests.

### More Time to File Freight Claims Is Asked

Representatives of railroads and shippers indorsed the Newton bill (H. R. 12733), relating to the filing of shippers' claims for loss and damage of freight, at a hearing on May 10 in Washington before a sub-committee of the House Committee on Interstate and Foreign Commerce. The measure would amend paragraph 11 of section 20 of the Interstate Commerce Act, as amended March 4, 1927.

The purpose of the amendment is to extend the time for filing all loss and damage claims against the railroads to not less than nine months, instead of four months as at present provided in the statute; also to make the period for filing all suits not less than two years, instead of three years, after disallowance in writing of the claim in whole or in part, as the case may be.

### "Ables" Now "Rapid"

Raymond Ables has disposed of the equipment and good will of the C. A. Ables Transfer Co., Riverside, Cal., to R. M. Browning and Homer Hammond, who are now operating the business under the name of the Rapid Transfer Co.

The firm was organized by C. A. Ables in 1885 and held memberships in the National Furniture Warehousemen's Association and the Pacific Coast Furniture Warehousemen's Association.

### Security of Washington in Picture Series

No. 160 of the "Washington in Pictures" series which the Washington Times is publishing is a view of the warehouse of the Security Storage Co., at 1140 Fifteenth Street, N. W., Washington, D. C. The accompanying story says that the warehouse is the largest in the national capital and the third largest in the United States.

## How Wisconsin Supervises Agricultural Warehousing

THE disadvantages under which agriculture labors from the point of view of assembling, merchandising, storing and financing are receiving the attention of the Wisconsin Department of Markets in those of its activities which relate to co-operative organization, market information service, and administration of the State and Federal bonded warehouse Acts. Taking the view that these disadvantages can be eliminated through organization for marketing purposes, the Department devotes a great deal of time and energy to the problem of organizing new associations, while the loaning of money under the State Act is enabling Wisconsin farmers to hold goods in storage and to market them under the best possible conditions.

The warehouse receipt issued under the provisions of the State Act is a safe collateral for loans. Its safety as such collateral rests on a rigid system of inspection and investigation. The specialist in charge of bonded warehouses in the Department of Markets makes an examination of the warehouse to determine whether the building is a suitable place for the storage of commodities; the warehouseman is then required to furnish a financial statement, and an investigation is made as to the character of the warehouseman, his integrity, reliability, and so on. If the findings are satisfactory the warehouseman is bonded and is furnished with warehouse receipts.

These receipts must show the amount of the bond; the grade, weight and amount of insurance on the commodity covered by the warehouse receipt; and other information of equal importance. After the warehouse is bonded and the receipts have been issued the Department of Markets makes at least four inspections a year to check up on unused and cancelled receipts and on the commodity for which receipts are outstanding.

The fact that the commodity stored in a warehouse is subject to unannounced periodical inspections makes the warehouse receipt a choice collateral for loans.

### New Firm in Wichita

The General Warehouse Co. has been organized in Wichita, Kan., with H. D. Fisher, local capitalist, as president and general manager, to conduct a general merchandise storage building.

A five-story building at 704 East Douglas Avenue has been remodeled—the first floor converted into office suites and the other stories and the basement into storage compartments.

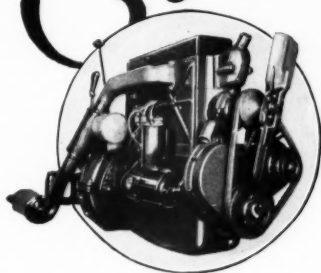
### "Met-L-Wood News"

The Met-L-Wood Corporation, Chicago, manufacturers of "Met-L-Wood" panels used in motor truck body building, has begun publication of a monthly house organ devoted to the firm's product and activities.

for Economical Transportation



# Engine Features that provide Better Performance. Greater Dependability and Economy



—at these  
Low Prices

LIGHT DELIVERY

\$375

Chassis Only

UTILITY TRUCK

\$495

Chassis Only

Prices f. o. b. Flint, Mich.

The engine features listed below are typical of the basic superiorities in modern design and construction that have made Chevrolet such a sensational success as the world's largest builder of trucks. See these trucks at any Chevrolet Dealer's—and learn for yourself what these features mean in terms of performance, dependability and economy of operation.

#### Adjustable Valve Tappets

Chevrolet valve tappets can be easily adjusted to eliminate loss of power and acceleration during life of truck.

#### Large Bearing Surfaces

Exceptionally large bearing surfaces provide increased dependability, quieter engine operation, greater power and longer life.

#### Positive Lubrication System

Chevrolet's positive vane type oil pump insures a plentiful supply of oil to the bearing surfaces at all times.

#### Air Cleaner

The AC air cleaner is another motor safeguard that removes dust from the air taken into the carburetor—adding life to the motor and increasing its efficiency.

#### Oil Filter

The AC oil filter removes dust and grit from the oil, making fewer oil changes necessary and adding thousands of miles to the engine's life.

#### Crankcase Breathing System

A breathing system which clears the crankcase of vapors prior to condensation, minimizes oil dilution, and adds materially to the long life of the motor.

#### Thermostatic Control

A thermostat in the cylinder head controls the water circulation, assuring the proper degree of cooling for any temperature.

#### Completely Enclosed Motor

A complete motor enclosure protects the exterior working parts against dust and dirt—adding to the motor's life and efficiency.

CHEVROLET MOTOR COMPANY, DETROIT, MICHIGAN  
Division of General Motors Corporation

Q U A L I T Y   A T   L O W   C O S T

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING



## Construction, Removals, Purchases and Changes

### Arizona

**MESA**—Gate City Ice Co. has approved plans for a \$55,000 cold storage warehouse ice plant on East Main Street.

### Arkansas

**Little Rock**—Arkansas Cold Storage Co. has plans for a \$100,000 3-story cold storage warehouse.

### California

**Alhambra**—Valley Ice Co. has begun erection of a 1-story cold storage warehouse and ice plant at 1013 S. Fremont Avenue.

**Long Beach**—City Transfer & Storage Co. has applied to the State Railroad Commission for authority to consolidate its existing operative-rights and to extend its service over five proposed routes connecting Long Beach with Los Angeles, San Pedro Harbor, Gardena, Bellflower and Buena Park.

**Richmond**—Atchison, Topeka & Santa Fe Railway Co. is planning construction of a \$100,000 warehouse.

**San Francisco**—San Francisco Produce & Provision Terminals, Inc., is planning a \$3,000,000 project to include a 5-story warehouse, 200 by 410 feet; a 2-story warehouse, 100 by 212 feet; a wharf, 410 feet wide and 1120 feet long, and a 4-story garage and service building, 95 by 115 feet. The site is at Laguna and Beach Streets.

**San Jose**—Southern Pacific Railroad Co. is planning construction of a \$175,000 warehouse and freight and passenger station.

**Santa Clara**—Security Warehouse & Cold Storage Co. has plans for a \$100,000 cold storage warehouse.

**Ventura**—Ventura Wharf & Warehouse Co. will pull down its warehouse on Front Street and erect a fireproof storage structure.

### Florida

**Miami**—Roberts & Gretnier Properties, Inc., has filed plans for a \$450,000 cold storage warehouse, 100 by 230 feet, at N. W. 7th Avenue and 17th Street.

**West Palm Beach**—A. S. Anderson heads a group which plans to construct and operate a \$250,000 merchandise and cold storage warehouse, six stories high, 100 by 300 feet. A company is being organized.

### Georgia

**Vidalia**—Planters' Warehouse Co. is planning a \$25,000 1-story warehouse on First Street.

### Illinois

**Chicago**—Central Manufacturing District is having plans prepared for two 1-story warehouses at Racine Avenue and 38th Street, to cost \$50,000 and \$45,000 respectively.

**Chicago**—McConnell Warehouse Co. (affiliated with the Railway Terminal & Warehouse Co.) has plans under way for a multi-story warehouse at Austin Avenue and Orleans Street, with portion for office service, reported to cost about \$3,000,000.

### Indiana

**Anderson**—Clark Transfer Co. has announced plans for a \$125,000 3-story warehouse, to contain 50,000 square feet of floor space, on Main Street.

### Iowa

**Tabor**—Malvern Cold Storage Co. plans immediate rebuilding of that portion of its cold storage warehouse recently wrecked by fire.

### Kansas

**Wichita**—Rea & Bell Transfer & Storage Co. will take over under lease a 2-story warehouse to be erected on South Washington Street.

### Massachusetts

**Dorchester**—Boston Ice Co. is having plans completed for a \$150,000 1-story cold storage warehouse and ice plant at Dewar and Auckland Streets. A similar plant will be built in Cambridge.

### Michigan

**Flint**—State Trucking Co. is planning to rebuild its warehouse and transfer buildings recently damaged by fire with an estimated loss of \$60,000.

### Mississippi

**Clarksdale**—Crystal Ice & Fuel Co. is planning a \$50,000 1-story cold storage warehouse and ice plant on Canal Street.

### Missouri

**Kansas City**—City Council's waterways committee has plans for a warehouse, 100 by 300 feet, for package freight, in connection with a new dock and water terminal to include unit for handling bulk cargoes, a traveling crane and other material handling equipment, the entire project to cost more than \$400,000.

**St. Louis**—Atchison, Topeka & Santa Fe Railway Co. is planning a \$340,000 warehouse and freight terminal.

### Montana

**Ingomar**—Chicago, Milwaukee, Pacific & St. Paul is planning a \$20,000 1-story warehouse.

### Nebraska

**Omaha**—Omaha Ice & Cold Storage Co. has filed plans for a 1-story storage unit, 32 by 70 feet, on S. 23rd Street.

### New Jersey

**Camden**—South Jersey Warehouse Co. has begun construction of a 2-story and basement warehouse to contain 25,000 square feet of floor space. It will be sprinklered and be served with a railroad siding.

**Elizabeth**—Weimar Storage & Trucking Co., Inc., is completing plans for a \$125,000 6-story and basement warehouse addition, 50 by 100 feet.

**Trenton**—United New Jersey Railroad & Canal Co. (a Pennsylvania Railroad subsidiary) has filed plans for the first unit of a warehouse and freight terminal, to cost \$60,000, on North Olden Avenue.

### New York

**Buffalo**—Cold Spring Storage Co., Inc., has completed plans for a \$120,000 5-story warehouse at 2649 Delaware Avenue.

(Concluded on page 68)

## New Incorporations

### Within the Industry

#### Connecticut

**NEW LONDON**—J. F. Sullivan Storage Co. (organized). Storage warehousing. John F. Sullivan heads the firm.

#### Florida

**Orlando**—Fidelity Storage & Warehouse Co. (which was established in 1927). Capital, \$75,000, divided into 750 shares of par value \$100 each. Incorporators, L. M. Robertson, owner; Alex Byers, manager, and M. A. Robertson, who are the board of directors. The company is a member of the American Warehousemen's Association (merchandise division) National Furniture Warehousemen's Association and Southern Warehousemen's Association.

**Sun City**—Sun City Ice & Cold Storage Co. Cold Storage warehouse. Capital not stated. Incorporators, G. E. Adams and Emil Reimbold.

#### Illinois

**Cairo**—Cairo Warehouse & Forwarding Co. General warehousing and transfer. Capital, \$3,000. Incorporators, Ray L. Hosmer (president of the Cairo Storage & Forwarding Co., organized in 1921), Thomas W. Watson (vice-president of the Cairo Storage & Forwarding Co.) and H. V. Lind.

**Kewanee**—Kewanee-Peoria Transfer Co. To transport freight and express. Capitalization, \$3,000. Incorporators, F. G. Ward, Robert Armstrong and Alta M. Ward.

#### Louisiana

**New Orleans**—Gulf Motor Freight Lines. Transfer and express. Capital not stated. Principal incorporator, R. H. Miller.

**Tallulah**—Tallulah Ice & Cold Storage Co. Cold storage warehouse and ice plant. Capital, \$85,000. Incorporators, George Williamson, J. L. Blackwell and J. K. Kirsch.

#### Michigan

**Detroit**—Michigan Warehouse Co. Storage warehousing. Capital, \$350,000. Incorporators, Walter C. Robinson, Warren Sisman and Andrew C. Sisman.

#### New Jersey

**East Orange**—Terminal Storage Co. Capital stock, \$50,000 preferred and 1500 shares of no par common. Incorporators, Stanley L. Gedney, Jr., and Frances W. Emerson of East Orange and Thaddeus E. MacEvoy of West Orange.

**Hoboken**—W. J. Duffy, Inc., Storage and trucking. Capitalization, \$100,000, with \$5,000 paid in. Incorporators, William Duffy, Rose Duffy and Robert J. Duffy.

**Irvington**—Irvington Warehouse & Moving Co., Irvington Moving & Storage Co. and Irvington Moving Co. (all organized). Storage warehouse and van service. Martin F. Kinney heads the interests.

**Kearny**—Lincoln Terminal Corporation. Warehouse and storage. Capitalization, 2000 shares of preferred stock.

(Concluded on page 68)

# More Vans



For long distance high-speed hauling. The demand for Gramm Vans is evidence of their popularity among the leaders in the Warehousing Industry. A popularity well earned—for they are designed and built to meet the gruelling service that is imposed upon them by continuous, uninterrupted running—mile after mile over all kinds of roads and with capacity loads. Notice a Gramm Van as it goes down the street—smooth, powerful and flexible in operation—signifying "Performance at its Best."

**POWERFUL**  
and  
**FAST—**  
**Built to Last!!**



EXECUTIVE OFFICES:  
LIMA, OHIO

**GRAMM MOTORS, INC.**  
BUILDERS of FINE MOTOR TRUCKS and COACHES

FACTORY:  
DELPHOS, OHIO

Member Motor Truck Industries, Inc., of America

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

## Construction, Removals, Purchases and Changes

(Concluded from page 66)

**Buffalo**—New York Central Railroad Co. has plans for spending \$300,000 extending and improving its 2-story warehouse and express building on Curtiss Street.

**Buffalo**—O. J. Glenn & Son have vacated the property at 805-807 Elm Street and have leased a structure at 39-43 Mechanic Street containing 20,000 cubic feet of space.

**New York City**—Columbia Storage Warehouse is completing plans for a \$150,000 8-story household goods warehouse at 60-62 W. 67th Street.

**New York City**—Edroyal Corporation (affiliated with the Central Railroad of New Jersey) is having plans drawn for a \$200,000 8-story warehouse, 80 by 200 feet, at 3rd Avenue and 134th Street.

**New York City**—R. Wilbur Tietjen and associates have filed plans for a \$6,000,000 12-story warehouse and railroad terminal on the block bounded by 26th and 27th Streets and 11th and 13th Avenues.

**Woodside, L. I.**—Jacob Huether, operating a storage and van service, has plans for a \$60,000 2-story warehouse on Hancock Street.

### North Dakota

**Fargo**—Northern Pacific Railway Co. is completing plans for a \$60,000 2-story addition to its storage warehouse and freight station.

### Ohio

**Columbus**—Mayflower Transit Co., Inc. of Indianapolis, Ind., has established an office at 701 Buckeye Building, Columbus, with S. H. Steward in charge. The company now has offices in eleven cities and is planning further expansion. It engages in household goods moving.

**Dayton**—General Motor Transportation Co. is considering erection of a \$100,000 1-story warehouse and freight terminal, 120 by 142 feet, at First and Taylor Streets.

**Nelsonville**—Gorsuch Transfer Co. has been purchased by Denzie Weltmer and John Keller.

**Norwood**—Charles Naish, Inc., has filed plans for a \$24,000 1-story warehouse on Main Avenue.

### Oklahoma

**Oklahoma City**—Arctic Ice Company is planning a \$90,000 addition, 50 by 150 feet, to its cold storage warehouse and ice plant on Grand Street.

### Pennsylvania

**Philadelphia**—Morro Van, Storage & Warehouse Co. has taken over under lease a warehouse containing 12,500 square feet of floor space, at 4118 Ludlow Street, and will remodel and improve it.

**Pittsburgh**—Pennsylvania Railroad Co. has broken ground for a \$5,500,000 project which when completed will include a warehouse and freight terminal, and produce storage building and terminal yards, between 16th and 21st Streets.

### Tennessee

**Chattanooga**—Chattanooga Transfer & Storage Co. has opened a new household goods warehouse containing 85,000 square feet of floor space and representing an investment of \$200,000.

**Chattanooga**—Stewart Storage Corp. will build a 1-story service and repair building, for motor truck service, at Manufacturers' Road and Cherokee Boulevard.

**Knoxville**—Standard Ice Co. has plans for a \$150,000 cold storage warehouse and ice plant, 86 by 113 feet.

### Texas

**Houston**—Luckenbach Terminals, Inc., is planning an additional story for its warehouse at city wharf No. 13, Port Houston.

**Houston**—Wald Transfer & Storage Co., Inc. has plans for a \$25,000 1-story warehouse at Walker Avenue and St. Charles Street.

**San Angelo**—Gulf, Colorado & Santa Fe Railway Co. is planning expenditure of \$300,000 to extend its local warehouse and freight terminal.

### Virginia

**Arrington**—Arrington Cold Storage Co. is having plans drawn for a \$50,000 1-story cold storage warehouse.

**Norfolk**—C. & M. Storage & Realty Corp. is planning a \$220,000 4-story warehouse to contain about 40,000 square feet of floor space.

### Washington

**Spokane**—Chicago, Milwaukee, Pacific & St. Paul Railroad Co. is considering construction of a \$100,000 warehouse and freight terminal, six stories high.

### Wisconsin

**Janesville**—Ward Transfer Co. has taken two buildings over under a lease and will operate one as a household goods warehouse.

**Milwaukee**—Universal-Trans-Continental Freight Service has taken over under lease 50,000 additional square feet of floor space adjoining its warehouse at 225 Erie Street.

### Canada

#### British Columbia

**New Westminster**—Pacific Coast Terminals, Ltd., has completed plans for a \$1,000,000 4-story cold storage warehouse, to contain more than 2,500,000 cubic feet of space, along the waterfront from 10th to 12th Streets.

### Would Standardize Containers

Standards for hampers, round stave baskets and splint baskets for fruits and vegetables would be fixed by the U. S. Department of Agriculture under the McNary bill (S. 2148), passed by the Senate on May 8 in night session.

If the measure finally becomes law, \$10,000 a year would be required to carry out its purposes, although this fund is not provided for in the bill.

The Senate Committee on Agriculture and Forestry, which favorably reported the measure, stated that it was in harmony with the views of the Department of Agriculture and with the financial program of President Coolidge.

## New Incorporations Within the Industry

(Concluded from page 66)

at \$100 each and 40,000 shares of common with no par value. Incorporators, Thomas J. Kinsella, Agnes M. O'Brien and Percy E. Reeves.

### New York

**Jamaica, L. I.**—Jamaica Union Freight Terminal Co. Storage warehouse and terminal. Capital, \$10,000.

**Long Beach, L. I.**—Long Beach Express & Moving Co. Van Service and express. Capital, \$15,000. Principal incorporator, T. A. Kane.

**New York City**—Interior Freighting Co. Transfer and cartage. Capital, 100 shares of stock of no par value. Principal incorporator, E. A. Alexander.

**New York City**—Jersey Terminal & Warehouse Co. Storage terminal, transfer, etc. Capital, \$25,000. Principal incorporator, J. M. B. Penneto.

**New York City**—Lexington Moving Co. Transfer and trucking. Capital, \$10,000. Principal incorporator, J. B. Rothberg.

**New York City**—Regat Storage & Trucking Co. Storage warehouse and transfer. Capital, 200 shares of stock of no par value. Principal incorporator, H. L. Kreeger.

**New York City**—Timmins' Storage Warehouse Co. (Formerly Timmins' Storage Warehouses, established in 1892). Capital, 200 shares of common stock.

**Yonkers**—Westchester Storage Warehouse, Inc. Storage warehouse and van service. Capital, \$20,000. Principal incorporator, M. L. Rosenwasser.

### Ohio

**Akron**—Northeastern Ohio Motor Freight, Inc. Capital, 500 shares of no par stock. Incorporators, Arthur E. Petersilge, J. H. Traverse and Ewald E. Kundtz.

**Cleveland**—Arrow Moving & Storage Co. General storage and transfer business. Capital, 250 shares of no par stock. Incorporators, John H. Price, Jr., L. M. Michels and M. L. Merchant.

**Cleveland**—Dealers Warehouse Co. Capital, 500 shares no par and 500 shares, preferred, \$50. Incorporators, L. H. Fowler, Neath W. Wilson and P. W. Studer.

**Cleveland**—East 45th Warehouse Co., General Warehouse and storage business. Capital, 250 shares of no par stock. Incorporators, C. D. Treister, F. K. Kraemer and S. D. Sidney.

**Cleveland**—Ohio Freight Service Co. Incorporators, Benjamin Hartstein, John W. Kulka and Eleanor Elton.

**Columbus**—C. and Z. Furniture Warehouse & Auction Co. Capitalization, 250 shares, \$100. Incorporators, B. F. Cline, J. S. Zulawsky and George B. Hall.

**Dayton**—Food Specialists Distributing Co. Capital, 350 shares, preferred, \$100, and 1000 shares no par. Incorporators, David M. Donley, H. L. Van Tassel and E. A. Donley.